

Szyja, Paulina

Article

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Economic and Environmental Studies (E&ES)

Provided in Cooperation with:

Opole University

Suggested Citation: Szyja, Paulina (2014) : National investment programs and sustainable development, Economic and Environmental Studies (E&ES), ISSN 2081-8319, Opole University, Faculty of Economics, Opole, Vol. 14, Iss. 2, pp. 177-192

This Version is available at:

<https://hdl.handle.net/10419/178856>

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National investment programs and sustainable development

Paulina SZYJA
Pedagogical University of Cracow

Abstract: In situation of economic crisis many countries, for example the United States, members of European Union prepared anti-crisis programs to conduct investments. In most cases, they concentrated on modernization of transport or energy infrastructure. In Poland it would have been presented program “Polish Investments”. The main purposes of the article is presentation of public investments programs and their role in sustainable development.

Keywords: investments, anti-crisis programs, environment, sustainable development

1. Introduction

Efficiently functioning economy decides about countries development. Important is that the economy should be on the one hand attractive for foreign investors and on the other hand public sector should create beneficial conditions and cooperation with private sector. The role of investments is meaning as constitute demand and form jobs. Listed elements are directed result of investment processes. While about the intermediate results decide accompanied investments, which are created by cooperated entities. Investments are important not only in the time of prosperity, but also in downturn. But in the second case, realization is much more difficult, because of limitations of capital and concerns, particularly entrepreneurs, maintaining the current financial liquidity. In the first and second case, countries initiate programs, which should help to create the economy dynamic. Taking advantage of public financial institutions assets of state-owned enterprises, market mechanisms, enabling assets turnover to acquisition capital for investments.

The purpose of article is presentation of countries investments programs and their role for sustainable socio-economic development. The author shows “Polish Investments” Program, which now is in technical preparation phase, against similar solutions in German, France and Great Britain. Especially are highlighted the types of investment projects, taken by institutions, dealing with the disposal of funds allocated for their implementation. In this aspect is emphasized the role of ecological investments.

2. Investments in the economy

Investments are one of the main factor of development economy, which bring short-term and long-term effects. These first result from the increase of production, that accompanies for example the construction of factory producing furniture, which leads to buying of building materials, produced by another firm. In long-term perspective, we have growth of production in completed investment, so in this case, factory begins production of furniture on national and eventually foreign market.

According to one definition, “investment is current austerity for the future benefit. But the present is relatively well known, however the future is a secret. Investment is a renunciation of the uncertain benefits (Flak, 2000: 4).” Common approach to asset investments describe them as expenditures made in order to create or increase fixed assets, which contribute to produce future stream of goods and services consumption. Therefore investments really are connected with effort to consumption in the future current consumption as well production of capital goods servant production of consumer goods. In turn Accounting Law, understood by the investments assets held by the entity in order to reach economic benefits resulting from the increase in value of these assets, obtaining of income in the form of interest, dividends (share of profits) or other benefits, including commercial transactions, in particular these financial assets and these real estates and non material and legal, which are not use by entity but are owned to manage these benefits. In case of insurance and reinsurance agencies through investments are meant deposits (art. 3, ust 1, pkt. 17) (Dz. U. 1994, nr. 121 , poz. 591). Thus this definition pays more attitude to *financial* investments. It can be summarized that investments include economic expenditures on tangible and financial assets (Górka et al., 2001: 153) and are characterized by such features as

increasing of amount of goods, time dimension and increasing of economic benefits. Increasing of amount of goods or services contributes to the Gross Domestic Product. The time dimension determines the time taken for the implementation of the investment, which affects the efficiency of the project. In this aspect are analyzed the average rate of return, payback period and Net Present Value. In view of entities and evidences, which initiate investment projects, we can point to the following types of investments (Flak, 2000: 5):

- new investments, which are realized by special operators (so-called SPVs),
- investments, which are undertaken by existing entities:
 - initiated to increase the rate of profit and weight gain,
 - reconstruction form meant as replacement capacity in exchange for the liquidated ability,
 - forced external premises of a modernization,
 - undertaken as part of the company repair.

Investment outlays are regularly publish by Central Statistical Office. Available dates allow to draw some conclusions (Tables 1 and 2).

Table 1. Investment outlays in general in years 2002-2011 in Poland

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Investment outlays in general (current prices in mln. PLN)	109266	110860	120467	131055	154880	191714	217260	218581	217287	243346

Source: Polish Central Statistical Office

In period 2002-2006 investment outlays increased and this growth was quite stable in figures. But between years 2006-2007 it is a noticeable jump from the level 154880 mln. to 19 714 mln. PLN. One of the main reason of these changes is level of money using from EU funds allocated for.

3. Investments aimed at implementation of the concept of sustainability

Increasing importance in the investment process solutions to protect the environment or reduce nuisance to the environment of manufacturing processes due to the desire to form sustainable development that means attention to meeting the needs of the present generation without compromising the future one. The concept of sustainable development emerged as a result of a discussion on the consequences of extensive economic policy for the environment, but not only. As Professor Tadeusz Borys emphasized: "The desire to subjugate nature and mechanistic treatment of the world led to success in the area of technology, but also caused the depletion or loss of spiritual values and cultural (Borys, 1999: 63)." The most important challenge is to reduce the use of natural resources by humans. It is extremely difficult due to: externalization of environmental costs, the treatment of natural resources as public goods, a number of socio-economic factors that cause the intensification of exploitation of natural resources (Rogall, 2010: 63). This situation can, however, change. Expert Group chaired by Ernst von Weizsäcker proposes Multiplier 5 - describing how a fivefold increase productivity in the use of natural resources or 80% reduction, among others, nuisance greenhouse gas emissions through the use of best available technology in the major sectors of the economy - construction, industry, agriculture and transport (Weizsäcker et al., 2009).

Taking into account the above considerations it should be remind that sustainable development is the link between society, economy and natural environment. Not limited to the human impact on the environment. The disintegration of one subsystem causes the breakdown of the other two (Borys, 1999: 67). Moreover, speaking of the association, it should be pay attention to the degree of sustainability of the various issues mentioned elements (Jeżowski, 2007: 13-14).

The concept of sustainable development has gained importance, particularly in Western Europe. The best example is in the case of Germany, which was inscribed the principle of sustainable development into the constitution. Similarly, she found herself in Polish the Basic Law. The difference between the two states is that in the first case having regard to the management of the environment is far more practical dimension than in Poland. The situation can be traced taking into account the expenditure on fixed assets for environmental protection and water management in our country.

Table 2. Outlays on fixed assets environmental protection and water management in Poland 2000-2011 (current prices in mln. PLN)

Specification	2000	2005	2009	2010	2011
Environment	6570.3	5986.5	10671.9	10926.2	12158.2

Source : *Ochrona środowiska 2012*. Główny Urząd Statystyczny, Warszawa 2012, p. 412.

It is worth nothing, that between 2000 and 2011 year increase in outlays on environment goes to 50%. It is a huge progress. But these outlays are only 5% of investment outlays in general in Poland. It should be mention, that Central Statistical Office takes into account fixed assets, which include assets over the estimated useful life exceeding one year, such as: properties, including grounds, law of perpetual using of ground and construction and building, machines and devices, vehicles, leasehold improvements and equipment and livestock (Dz. U. 1994, nr 121, poz. 591).

The role of environment friendly investment has increased between 2008 and 2009, when as a result of the economic downturn governments prepared and implemented anti-crisis programs. It is worth nothing, that this was the first time when these kind of plans so clearly highlighted the need to invest to limitations of nuisance of production for environment. At the same time there was pointed to that these investments can help to create new job places. Unfortunately the compliance with environmental requirements needs technologies, which are significantly more expensive than traditional, what reducing its introducing. On the other hand usually these are machines, engineers with high innovation potential. However in the short time, especially in situation the need of reducing production because of decreasing of demand, arise difficulties in generating additional money for investments. It is worth nothing, that in the crisis the investments have dimension of modernization and restructuring aimed at increasing of efficiency in production processes using raw materials, energy and other materials. In the last aspect we have to do with reducing of using public goods, for example water, air, natural resources such as mineral resources, especially energy. These actions help to cut the level of emission of greenhouse gas, electricity consumption in production. However effects of the actions will be apparent in a long time. Meanwhile in the crisis, there is a need for actions with results in short period. Therefore governments introduce investment in expansion and

modernization of transport infrastructure. Not always it brings benefits, for environment for examples road construction. The situation is different in building high-speed rail and greening of public transport.

4. “Polish Investments” Program

Investments are carried out both the public and private sector. The State invests usually in public transport or in modernization of the energy sector. In most cases these are investments, which are of strategic importance for the safety or condition of the economy. In turn, private entrepreneurs take investments, when they see an opportunity to develop production, technological modernization or restructuring. These activities always are targeted on increasing in profit for the company and introducing technological improvements to cut costs and boost efficiency. No less important is innovation, that enables competitive advantage. In Poland, taking into account the quantitative criteria, more investments is taken by private sector than public. However, given the size of investment projects, there are more public, because of possibilities of financing from EU funds, especially in transport. Important role in recent times played investments, connected with organization of European Championships in football in Poland – EURO 2012 (Górka and Szyja, 2012: 78).

Among the factors to mobilize investments in public sector are activities aimed at reducing the effects of the crisis. Therefore in many countries was realized investment projects, especially in France and Spain, where is built high-speed rail. Whereas in German a major role to play has development of renewable energy sources, because of the announcement of chancellor Angela Merkel about extinction of nuclear reactors by 2030 year. In Poland, the government highlighted the role of activities, which help to maintain GDP growth, but without undertaken environmental friendly investment (*Plan stabilności i rozwoju*, 2009) . It is worth notice, that in period 2008-2010, so in time of global crises, Poland was the only EU country in which did not report negative rates of GDP (Table 3).

Table 3. Real GDP growth in EU-27, 2008-2011.

	2008	2009	2010	2011
EU -27	0.3	-4.3	2.1	1.5
Belgium	1.0	-2.8	2.4	1.8
Bulgaria	6.2	-5.5	0.4	1.7
Czech Rep.	3.1	-4.5	2.5	1.9
Denmark	-0.8	-5.7	1.6	1.1
Germany	1.1	-5.1	4.2	3.0
Estonia	-4.2	-14.1	3.3	8.3
Ireland	-2.1	-5.5	-0.8	1.4
Greece	-0.2	-3.1	-4.9	-7.1
Spain	0.9	-3.7	-0.3	0.4
France	-0.1	-3.1	1.7	1.7
Italy	-1.2	-5.5	1.8	0.4
Cypr	3.6	-1.9	1.3	0.5
Latvia	-3.3	-17.7	-0.9	5.5
Lithuania	2.9	-14.8	1.5	5.9
Luxemburg	-0.7	-4.1	2.9	1.7
Hungary	0.9	-6.8	1.3	1.6
Malta	3.7	-2.4	2.7	1.6
Netherlands	1.8	-3.7	1.6	1.0
Austria	1.4	-3.8	2.1	2.7
Poland	5.1	1.6	3.9	4.3
Portugal	0.0	-2.9	1.9	-1.6
Romania	7.3	-6.6	-1.1	2.2
Slovenia	3.4	-7.8	1.2	0.6
Slovak Rep.	5.8	-4.9	4.4	3.2
Finland	0.3	-8.5	3.3	2.8
Sweden	-0.6	-5.0	6.6	3.7
Great Britain	-1.0	-4.0	1.8	0.9

Source: Eurostat

It became essential to the formation and development of our country basis, taking into account the specific economic situation and overcome the backwardness of civilization. In government document “Poland 2030. Development changes” was emphasized, that overcoming backwardness of civilization requires investment of a public purpose (Boni, 2009: 16). It was indicated as investments in infrastructure and human capital. Main role is assigned to innovations, which help to gain a competitive edge. In document “Poland 2030. Third wave of modernity. Long-term national development strategy”, which was results of wider discussion and analysis of governmental experts, was presented the key investments in our country, for example:

building Central Airport and the first line of high-speed rail (*Polska 2030*, 2011). On the basis of this document in 2013 presented “Long-term national development strategy. Poland 2030. Third wave of modernity” (Uchwała, 2013).

It seems, that the effect of the projects, selected in the long-term strategy, is to take action to start the “Polish Investments” Program. However, it can’t be tempted to note, that a greater impact on the development of this project have:

- limited the availability of capital,
- reduced the amount of EU funds for Poland,
- the need to revive the economy.

In the latter aspect, particularly emphasized in reference to theory of John Maynard Keynes, important is the role of state to mobilize private sector in investment. Similarly important are investments undertaken by countries from West European, particularly German, France and the United States, despite protests from supporters neoliberal theory in the interpretation of Milton Friedman.

Start of the “Polish Investments” Program (PIP) said the Prime Minister Donald Tusk during the so-called second exposé October 12, 2012. The purpose of this initiative is development of investments through the use of business loans in cooperation with Bank Gospodarstwa Krajowego (BGK) (*„Drugie expose” premiera*, 2013). For the implementation of capital plans will be used as treasury shares in public companies, which now is not possible to use. As was said by the Minister of Treasury Mikołaj Budzanowski, in terms of global, realization of PIP pursue three objectives: keep up dynamic of investment, GDP, creating new jobs (*Budzanowski wymienia cele programu” Inwestycje Polskie*). To manage it, it is necessary to develop “infrastructure projects in long-term, with using attractive financing and possibility to receipt money from private banks” (*Program „Inwestycje Polskie”*). Mentioned purposes of PIP was discussed, in more detail, during the seminar “Realationship of Polish Cities”. It was highlighted the necessity of filling the gap in financing large infrastructure investments, creating an interesting projects, which wasn’t realized because of luck of capital, increasing efficiency of management of public property (*O celach Programu Inwestycje Polskie z przedstawicielami miast*).

Implementation of program requires two elements: the first one asset turnover mechanism, and the second one company, which will be used to find projects and make

investment decisions. To implementation of PIP will be used two institutions. BGK will be develop credit activity and turnover assets. Bank Gospodarstwa Krajowego until 2015 will have financial capacity on level PLN 40 billion. Funds will be coming from value of shares in public companies, more than the amount established by the proceeds from privatization (*Program Inwestycje Polskie*). The second institution is Celowa Spółka Inwestycyjna, which was set up at the end of December 2012. It was the first working name of this subjects. Now the name is Polskie Inwestycje Rozwojowe SA (PIR). The share capital amounts is PLN 300 thousand. The price for one share is 1 PLN. PIR will begin action in second quarter 2013 year. First action will be concentrated on finding projects, investor education, promoting public-private partnership. According to Minister of Treasury, in the first year it will be concentrating on energy projects, based on carbon and gas (*Budzanowski wymienia cele programu „Inwestycje Polskie”*). In subsequent years it will be developing typically investment action. The range of activities of PIR will be including: organization and taking part in investments consortiums, trading and intermediation in financial debts, lending bank capital, trading in shares, stocks and other securities. PIR and BGK will be capitalized with the amounts up to PLN 10 billion. The Council of Ministers approved capital contribution to these two institution by the sale of stakes of shares in companies PGE, PKO BP, PZU and Ciech (the approximate value PLN 12 billion). As was noted by the Minister, to BGK will be contributed Treasury assets, but without sell off a controlling. It is very important to maintain control in companies, which play a strategic role for polish economy, especially in energy and financial sector. Additional capital will be achieved by privatization, what will be relying on the sell of a few percent companies listed on the Warsaw Stock Exchange. These funds will help to increase the ability of credit of BGK (*Do BGK będą wnoszone...*). At the end of January 2013 the Treasury and Bank Gospodarstwa Krajowego sold 11,75% of the shares of PKO BP, worth PLN 5 billion. In according to ranking, published by “Polityka”, main companies of the Treasury are: PKN Orlen SA, GK Grupa Lotos, Polska Grupa Energetyczna SA, GK PGNiG SA, GK Tauron Polska Energia SA, KGHM Polska Miedź SA, Kompania Węglowa SA, GK Energa SA, GK Enea SA, Państwowe Gospodarstwo Leśne Lasy Państwowe, Poczta Polska SA, PKP Cargo SA, PKP Polskie Linie Kolejowe SA, Zakłady Azotowe Puławy SA, Totalizator Sportowy Sp. z o. o. (*Ranking Spółek Skarbu ...*). It can be

stated, that shares of these companies can provide capital for Bank Gospodarstwa Krajowego and Polskie Inwestycje Rozwojowe SA. Exception is Państwowe Gospodarstwo Leśne Lasy Państwowe, because there is no social agreement for privatization of this subject, although the Minister of Finance tried to change this situation (in view of high income).

Structure, purposes and tasks “Polish Investment” Program have been included in common document of the Ministry of Treasury and Ministry of Finance “ SECOND EXPOSÉ. Calculations and details of “Polish Investments” Program” (DRUGIE EXPOSE). The main objectives are:

- using shares of public companies to develop infrastructure projects,
- introducing of financial instruments in the form of loans and guarantees for local partners, private investors, public institutions,
- mobilization of private initiative to invest in projects, which can be important for polish economy,
- noticed, that these actions are reliable and secure for public finance.

It was noticed, that using all these instruments, continuing activities in form of privatization, will mobilize the Ministry of Treasury to administrate of public assets and facilitate multiplication of possibility to funding key investments. In this document was also indicated timetable of realization of “Polish Investments” Program. In 2012 was planned the introducing of the Program, establishment of PIR and its capitalization. In 2013 should increase BGK’s statutory reserves and recapitalize of PIR, obtain external funding for BGK to leverage the increased statutory reserves, intensification of its activity and starting investing by PIR. In 2014-2015 will be continuing BGK’s lending campaign, activity of Polskie Inwestycje Rozwojowe and recapitalizing of PIR and BGK.

Investment projects will be analyzed in three steps: first by the PIR Management Board and the Supervisory Board, then the Investment Committee and the last one the Board of Directors. The investment process will be based on good practices of funds such as Private Equity, Sovereign Wealth Funds and European Bank for Reconstruction and Development. This can mean investment of public assets in different areas, distribution of risk and greater possibilities of access to capital (*Program „Inwestycje Polskie”- FAQ*). An important element of “Polish Investment” Program is private investor. It can be a key factor to develop in our country public-private partnership.

To ensure realization of Program, was noticed areas and selection criteria for investment projects. Important is that projects should be economically justified: in energy (distribution and manufacturing), gas (transmission, extraction and storage), natural resources (hydrocarbon deposits, including shale gas), port, maritime, rail and road networks, municipal projects (for example waste management, town rejuvenation), industrial and telecommunication networks. The investments must be characterized by a positive net present value (NPV) and offer a market rate of return for BGK and PIR. Other criteria are: the cost of capital, project risk, appropriate safeguards and their own operating costs. If the projects will be similar in terms of profitability and risk then will be taken into account criteria (*Program Inwestycje Polskie. Proces wyboru*, 2013: 8):

- impact on employment (direct and indirect),
- increase of quality of life,
- develop of public-private partnership and the possibility of financing local subjects,
- increase of competition,
- increase of energy and raw materials security,
- transformation of Polish companies in the regional and world leaders,
- involvement of foreign capital.

Period of capital investment in projects will be 5-7 years. Minimum commitment will be on level PLN 50 million and maximum on PLN 750 million.

Presented criteria are important in accordance to profitability of investments projects, especially in a free market economy and obtain capital through sell of shares of public companies. It is also important to create GDP. However, we have to ask about creation of sustainable development based on PIP. The investments, which would be connected with eco-innovation couldn't be approved by Polskie Inwestycje Rozwojowe S.A. for several reasons. The first one, these kind of investments don't characterized profitability (at the present time) because of their specific i.e. care for the environment or reduction negative effects of production processes. Still they can compete with traditional solutions (for example in energy), if they will be more efficient and cost-effective. At the moment the main drawback of ecological investments is high cost of it, especially in renewable energy. The second one is interest in the market.

During the crises 2008-2010 their develop was mobilized by the states, which encouraged to invest in this area. In this respect environmental projects fit very well in purpose of PIP i.e. public-private partnership. Some doubts are caused by the fact of little interest in the market and shaped in such a way prices ecological products and services. For example ecological cars, which consume less fuel and emit less carbon dioxide, are much more expensive than traditional vehicles. Demand for environmental friendly cars was appeared in German and France, when governments of these countries introduced subsidies to help the automotive sectors to survive the crisis.

Among the criteria we can't notice the role of innovation. And this element could help to promote environmental investments. It may be only presumed, that this attribute will be evaluate in a situation of a large number of investment applications. However it would be i.e. *soft* criteria, taken into account in the further order. The luck of notation of role environmental-friendly investments refers to document Poland 2030, where the priority for Polish economy is to overcome backwardness.

The above mentioned items may raise concern about the direction of development of the Polish economy. Especially when at the same time, many countries have committed to the implementation of mechanisms for the conduct of environmentally friendly investment processes and thus shaping new competitive advantages. It is worth to follow a few examples concerning implementation of similar investment programs, with the difference that they highlight the environmental dimension.

5. Investments programs in selected European countries

As a role model for "Polish Investments" Program adopted solutions, which are used in German, France and Great Britain. German activities, in this area, are connected with institution, established in 1948 and since 1950 interested in financing environmental investments and small and medium-sized enterprises. French one are associated with infrastructure projects, what was highlighted in anti-crises plan in 2009. Similarly in Great Britain are promoted investments in transport.

In German, after the Second World War, was established Kreditanstalt für Wiederaufbau (KfW). This institution was designed in relation to economic aid offered under the Marshall Plan for war-destroyed country. Now, KfW acts as KfW Bankengruppe. The first tasks was connected with reconstruction of German economy after war. In the second half of fifties, called “the golden fifties”, KfW involved in financing of environmental protection and SMEs, which to this day remain a part of core business. In eighties the main subject of funding was key sectors of German economy, which determine the advantages of this country in the world. In 2002 promotional activities and commercial business was separated to increase transparency. Today, the mission of Kreditanstalt für Wiederaufbau is to encourage changes and innovative projects in German, Europe and in the whole world. The scope of activities is significant. KfW helps young people to fund construction their own house in cooperation with private banks. In similarly way KfW encourages energy-efficient modernization of building. The financial mechanism is based on supplement the funding gap in situation taking loan from the private banks. It is worth notice, that KfW established standards of energy-efficient building - the KfW Efficiency House. Another area of interest of KfW Bankengruppe is creation and development of mikro-, small and medium-sized enterprises. KfW encourages long-term loans for various investments as well current activities. State governments can also use loans for the purpose of social housing. KfW helps to receive capital for investments especially in structurally weak areas. It means construction like: industrial parks, roads, in building refurbishment, renewable energy. Part of KfW under the name KfW IPEX-Bank offers tailor-made financing solutions for large-scale projects. It helps German and the European export industries by financing infrastructure, climate and environmental protection projects as well as raw materials supplies. KfW takes also part in the privatization of two German enterprises: Deutsche Telekom AG and Deutsche Post AG. Bankengruppe form German supports developing and transition countries to improve their social and economical situation.

If somebody is interested in obtainment of money from KfW, should first head to bank, from which services provides. This bank, after positive recognition, send application to KfW. Direct grants from KfW receive cities and local subjects. In 2011, as informs Bank, the total

amount of financial support was EUR 70.4 billion of which one third was intended for environmental projects (*Mit Deutschland gewachsen...*).

Public infrastructure projects were also included in anti-crisis plan in France, in February 2009 (Plan de relance, 2009). The government highlighted the necessity of realization about a thousand projects in all departments of the country with total guarantee amount of EUR 10 billion. From this amount EUR 4 billion allocated to investments in public companies, including rail, energy sector and postal Services (Grosse, 2009: 14). The most important are the investments in rail. The government planned four projects of high speed railway lines, including the largest - Tours-Bordeaux (LGV SEA) of 302 km of a total value of EUR 7.8 billion, including 3.2 billion package of bank loans with a tranche of EUR 1.1 billion guaranteed by the government. What is more important, this project will be implemented in cooperation with a private consortium and therefore it will receive concession for exploitation for fifty years (*Program „Inwestycje Polskie”*). It was also announced the creation of a special fund, which the main task will be to invest in public company with strategic role. These investments encourage the French equivalent of a development bank - The Caisse des Dépôts. It is an institution, which operates since the nineteenth century and is long term investor in development projects in all territories. Actually the Group of Caisse des Dépôts concentrates on projects in four areas: housing and urban development, businesses, universities and the knowledge economy, sustainable development (*Our strategic priorities*). In the last one field The Caisse des Dépôts takes part in funding projects connected with renewable energy, the protection of biodiversity, socially responsible investment and the fight against climate change, accelerates the development of towns towards a more viable and fit to live in model: eco campuses, energy saving homes, soft mobility, etc. It is worth noting, that two subjects of the Group: Fonds de réserve pour les retraites (FRR) i Régime additionnel de la Fonction publique (Erafp) are signatories to the document of The United Nations “The Principles for Responsible Investment (PRI). As the Group mentions, the total amount of funding sustainable infrastructure projects was EUR 4.3 billion.

In turn, the British government announced in July 2012 a new program of supporting public and private investments in infrastructure with a total guarantee limit of GBP 40 billion. Projects, which will receive this help, have to meet five criteria: projects of “national importance”, projects ready to begin the construction phase within 12 months of receipt of the guarantee, financially credible, projects that without the government guarantee are likely not to

obtain bankability within a reasonable period of time, projects which will have a positive impact on economic growth and do not represent an unacceptable economic or fiscal risk. The control of projects will be made by special institution The UK Guarantees Scheme. Nationally significant projects was announced in National Infrastructure Plan, which contains nearly forty investments (*Infrastructure delivery update*). It is worth mentioning few: modernization of A14 road between Huntingdon and Cambridge, improvement of the railway networks between Manchester and Sheffield, Rochdale, Halifax, Bradford, Bolton, Preston and Blackpool, local transport projects, development of broadband Internet in big cities, renewable energy, improvement of railway to and in London.

6. Concluding remarks

“Polish Investments” Program is important project because of continuation of privatization processes and raising capital for investment with using market mechanisms. Further aspects are shaping the dynamics of GDP and creation of jobs. In turn presented foreign examples show good practices and areas in which can both the state and the private sector cooperate to develop many important projects for the economy.

Criteria, which will be taken into account in “Polish Investments” Program, are important. They are in correlation to the aims and objectives of the governmental document “Long-term national development strategy. Poland 2030”. They are also connected with specific economic situation and the need of overcoming the backwardness of civilization. Meanwhile the projects, realized by country from West Europe, increasingly exclude the importance of investments, which reduce nuisance of businesses on environment. It is essential that “Polish Investments” Program over time begin to acknowledge the role of these projects for development of the economy, growth of GDP, and the creation a better life conditions. It is worth nothing that human activity especially in production processes causes effects, which have influence on so-called environmental barriers of socio-economical development.

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