

Performance budget in Poland

For the Year 2008

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Start of the reform

- Performance budgeting in Poland - initiative of the government in 2006
- Responsible institution:
The Chancellery of the Prime Minister



Performance budgeting in the Polish legislation

1. Public finance act

- article 124 – Justification to budget act project
- article 158 – Report on execution of budgetary act

2. Ministry of Finance Regulation on detailed method, form and deadlines for the compilation of budgetary act project materials for 2008 (*budget notification*)



The Budget notification for the year 2008

1. Three new forms:

- a) BZ – 1 „*The statement of planned tasks for years 2008–2010*”
- b) BZ – 2 „*The statement of task-based expenditures for budgetary year*”
- c) BZ – 3 „*The statement of planned task-based expenditures for years 2008–2010*”

2. Chapter „The statement of tasks” in „Detailed rules of drawing up a proposal of budget act for 2008 year (36 pages, 52 examples).



Performance budget for the year 2008

- **Justification** for the budgetary act for the year 2008
 - Section XII. Task-based state budget expenditures in 2008
- **Report** „ Performance Budget ”
 - Volume I. Performance Budget for the year 2008
 - Volume II. Debriefing of performance budgets prepared by holders of budgetary parts for the year 2008



Volume I. Performance budget for the year 2008

- Introduction to the performance budget
- Methodical comments concerning presented performance budget for the year 2008
- Table 1. Task-based government spending in 2008
- Table 2. Task-based consolidated expenditures for some of the budget holders (for 2008)
- Table 3. The statement of public expenditures with the specification of tasks goals and measures
- Table 4. The connection of the performance budget with the traditional budget



Performance budget for the year 2008

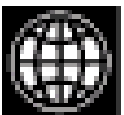
The performance budget for 2008 refers to 136.743.944.000 PLN (132 of 153 budgetary parts) of the total state budget, which is 44% of the total state budget as described in the draft budget act for 2008. The consolidated version of the performance budget refers to expenditures of the amount of 161.287.702.000 PLN.



Performance budget for 2008

Institutions involved:

- Supreme Chamber of Control
- National Labour Inspectorate
- Common courts of law
- Ministries – 19,
- Central Offices -20,
- Regional State Offices – 16,
- Public earmarked (target) funds – 19,
- Governmental agencies – 7.



Performance budget for the year 2008

- Tasks: central 170, regions 34
- Sub tasks: central 466, regions 31
- Goals: central 659, regions 37
- Indicators: central 957, regions 63



The allocation of expenditures

- Direct expenditures – corresponding to tasks and sub-tasks.
- Expenditures refer to section 750 „Public Administration” assigned in a simplified manner to tasks and sub-tasks.
- General expenditures – task „Creation and coordination of policy”



Task

„ Creation and coordination of policy”

This task refers to activities which have the common (general) character of tasks that are realized within the framework of the whole budget-part or by the unit responsible for task realization that cannot be attributed to particular tasks:

1. Meritorious coordination of activities of a budget holder.
2. Administration support.
3. Technical support.



Table 1. Task-based public expenditures for the year 2008

Lp.	task/ sub-task	Poz.	Plan for 2008	In this: financing from EU funds
			in thousands of PLN	
1	2	3	4	5
MINISTRY OF SPORT AND TOURISM - PART 25 and 40		1	415 753	
	Part 25. Physical Culture and Sport	2	366 687	
1.	Sport popularized	3	21 636	
1.1.	Physical activity of children and teenagers	4	506	
1.2.	Physical activity of society	5	20 425	
1.3.	Disabled sports popularized	6	206	
1.4.	Sports infrastructures	7	499	
2.	Olympic sports strengthened	8	234 525	
2.1.	National Representation prepared for and participating in the international level sports competition	9	230 258	
2.2.	Disabled sports strengthened	10	4 267	
3.	EURO 2012	15	96 345	
4.	Relevant policies developed nad coordinated	17	14 181	
	Part 40. Tourism	22	49 066	

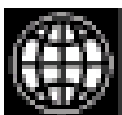


Table 2. Task-based consolidated expenditures for some of the budget holders for the year 2008
14 budget holders

Lp.	Task/ Sub-task	Plan for 2008	Budget state	Public earmarked funds / target funds	Other sources
MINISTRY OF THE TREASURY- Part 36		1 511 356	69 643	1 439 815	1 898
1.	Treasury managed	559 509	20 831	536 780	1 898
1.1.	Privatisation	41 236	5 636	35 600	
1.2.	Owner supervision	518 273	15 195	501 180	1 898
2.	Restitution	904 288	1 333	902 955	
3.	Creation and coordination of policy	47 559	47 479	80	

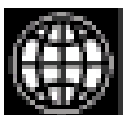


Table 3: Specification of expenditures - tasks, objectives and indicators – Ministry of Science and Higher Education

Lp.	Task/ subtask	Plan for 2008 (PLN thousands)	Objective	Indicator		
				Name	Value	
					Base	In 2008
2.	Strengthening scientific research projects that have practical application	864 227	Improvement of the research project's impact on country's socio-economic development	Business expenditures on R&D (percentage of GDP)	0,18%	-
				Patent applications to the international patent institutions	will be monitored	will be monitored
2.2	Support of the applied research and for development works for the benefit of the entrepreneurs	168 084	Expansion of the possibility of using the R&D results by the entrepreneurs	Number of enterprises co-operating with R& D centres on implementation of goal-oriented projects	150	170
			Improvement of the technology transfer process from R&D Centres to the economy by supporting the acquisition of patent protection of inventions developed in R&D Centres	Patent applications of Polish residents to the international patent institutions resulting from the projects financed by the Ministry	0	44

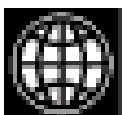


Table 3: Specification of expenditures - tasks, objectives and indicators – Ministry of Health

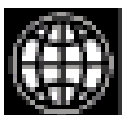
Lp.	Task/subtask	Plan for 2008 (PLN thousands)	Objective	Indicator		
				Name	Value	
					base	in 2008
1	2	4	5	6	7	8
1.2.	Implementation of health programmes important for public health	1 616 591	Improvement in accessibility to health care services	Quantity of irradiation equipment for radiotherapy scheduled for purchase	10	10
				Number of centres equipped with positron emission tomography (PET)	4	6
				Improvement of women attendance rate at preventive examinations	% of women aged 50-69, who had undergone mammography within a year	11,3%
			% of women aged 25-59 who had undergone cytology within a year		4,1%	15%
			Reduction of infant and children mortality due to metabolic defects	% of infants who had undergone phenylketonuria medical examination	100%	100%
				% of infants who had undergone hypothyreosis medical examination	100%	100%
				% of infants who had undergone mucoviscidosis medical examination	50%	75%



Table 4.

The connection of the performance budget with the traditional budget – Minister of Foreign Affairs

Task	Plan for 2008	state budget					in this: financing from EU funds	Public earmarked funds / target funds	Other sources
		Total	in this:						
			Amount	Part	Section	Subsection			
State interests of the Republic of Poland represented and protected abroad	656 291	655 291	25 422	45	750	75001	751		1 000
			499 073	45	750	75057			
			8 900	45	750	75062			
			1 193	45	750	75063			
			119 952	45	750	75095			
			751	45	750	75060			



The influence of the performance budget on the allocation of expenditures

Example – Budget of „Science”

Participation of R&D expenditures with practical use in total expenditures of the part 28. Science:

- 1) 2006 – 8,52%
- 2) 2007 – 10,51%
- 3) 2008 – 33,11%



Thank You for your attention!



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