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Abstract
The aim of this article is to present the plans of the communes of the Kujawsko-Pomorskie Voivodship identified in the course of the survey regarding their use of EU funds for building their competitive capacity and pursuing their strategic development objectives in the period 2014–2020. The study helped to identify the expected results of the use of EU funds in the financial framework 2014–2020 by the communes of the Kujawsko-Pomorskie Voivodship as well as the importance of these funds for the implementation of these communes’ development strategies. The results show that the communes intend to actively seek financial resources made available to Poland for the implementation of the cohesion policy in the period 2014–2020 and use them to achieve the objectives set out in their development strategies. Expectations of the communes regarding the outcomes that they expect to achieve as a result of the implementation of the projects co-financed by the EU, however, seem inadequate when compared to the actual opportunities that these operational programmes create in terms of the implementation of investment projects in 2014–2020. This raises concerns that these resources will not be utilised as efficiently as expected.

Keywords: regional competitiveness, EU funds, the financial framework 2014–2020, communes of the Kujawsko-Pomorskie Voivodship

Introduction
There is a considerable gap between the Kujawsko-Pomorskie Voivodship and the country’s leading regions in terms of their level of social and economic development. In 2012, GDP per capita in this voivodship accounted for 81,3%¹ of the average GDP per capita for all the voivodships in the country. The growth rate of this parameter was 3,1% (9th in the country) compared to 2011, and the region’s share in the generation of national GDP was 4,4%.² The region presents itself even less favourably on the international stage. For instance, the region’s GDP per capita in purchasing power parity was only 54% of the EU average in 2011.³ In the national rankings of investment attractiveness, the voivodship places itself among the average regions (Godlewska-Majkowska et al. 2014a, 65; Nowicki 2014, 7). There are significant discrepancies in terms of location advantages between the different areas of the region. The biggest cities—city counties together with the surrounding land counties—are the most attractive to potential investors. Investment attractiveness of the other areas in the region is rather low (Godlewska-Majkowska et al. 2014b, 12), which contributes to the polarisation of the development processes taking place in the region.

¹. [In the journal European practice of number notation is followed—for example, 36 333,33 (European style) = 36 333.33 (Canadian style) = 36,333.33 (US and British style).—Ed.]
It is a common view in the literature on the subject that appropriate reinforcing of the region’s competitive potential, especially the competitive potential of its weakest links, is a necessary condition for making the development processes in the region more dynamic. Due to the communes’ limited ability to finance investment projects using their own funds, their implementation is dependent on their access to external sources of funding. Funds from the European Union’s budget allocated for the implementation of the cohesion policy, available primarily through regional and national operational programmes, are currently particularly important for the desired development of Polish regions, including in the Kujawsko-Pomorskie Voivodship.

This article will present the plans of the communes in the Kujawsko-Pomorskie Voivodship regarding their use of EU funds in the process of building their competitiveness and implementing strategic development objectives in the years 2014–2020.

1 Sources of a region’s competitiveness

A region’s competitiveness comes down to its ability to gain a competitive advantage over other territorial units—other competing participants. The aim of this competition may be attracting capital from other regions of the country and from abroad; creating new jobs in the region; attracting national and international financial help; locating various facilities as well as service, administrative, military, etc. units in the area; and attracting tourists. A region’s competitiveness is the sum of the competitive strength of all the organisations operating in the region, both in the real and the regulatory sectors. These organisations are mutually dependent, which ultimately determines the formation of regional competitive advantages (Kosiedowski 2008, 62).

Securing a strong competitive position through the use of competitive advantages is the result of the competition process. Being able to compete is preconditioned by having the necessary competitive potential. This potential is created by the region’s endogenous resources. Regional authorities in Poland, both at the voivodship and commune level, but to a lesser degree also at the county level, have the ability to shape some of these resources through a skilful investment policy, for the implementation of which EU funds may be used.

In the literature on the subject, the process of building competitiveness is presented in the form of different models, the most common of which are: the competitiveness pyramid model, the competitiveness hat and competitiveness tree models as well as Porter’s diamond.

At the core of the regional competitiveness pyramid model one will find the following sources of competitiveness, in a region’s success factors: basic technical, social and institutional infrastructure, territorial availability, qualified workforce, economy structure, decision-making centres, environment and innovative activity. These resources allow research and development projects to be carried out in a region, promote the growth of entrepreneurship and investment and the creation of social capital. These are the factors that help improve labour productivity and employment rate, which is in turn a sign of competitiveness (i.e., disclosed competitiveness or symptoms of competitiveness) that is directly reflected in regional results (mainly in the region’s GDP). Growth in GDP per capita results in improved life quality in the region, which is the ultimate goal of being competitive—the top of the competitiveness pyramid (Gardiner, Martin, and Tyler 2004, 7).

The competitiveness hat model differentiates between several levels of competitiveness: regional results, region’s performance, market structure and regional competitiveness determinants (Martin 2003, 2–35 – 2–38). In this model, GDP per capita is a synthetic indicator of regional performance. A region’s performance is defined by regional added value, unit labour costs, profitability of companies operating in the region and market shares. Market structure is determined by regional economy sectors, specialisation, ownership structure, the size and number of enterprises. The determinants of regional competitiveness include human resources, basic technical and social infrastructure, knowledge infrastructure, institutions, technology, culture, demographics and the quality of the natural environment. In the competitiveness tree model, the roots (i.e., human resources,
innovation, entrepreneurship, infrastructure) are its determinants, the trunk symbolises economic structure and productivity, the branches — their direct effects, i.e. employment, profits and taxes, and the fruits — the final results of competing, that is prosperity, sustainable development, and social inclusion (Łaźniewska, Chmielewski, and Nowak 2012, 47).

Porter’s model of economic competitiveness analysis lists four groups of factors that influence the creation of a country’s or a region’s competitive advantage at the microeconomic level. These are: production factors (human resources, capital resources, technical and scientific infrastructure, natural resources, etc.), the nature of demand, the presence of competitive industries and the strategy the enterprises have adopted, their management style and competitive tools (Porter 2006, 24).

Generally speaking, in regional competitiveness models, the effect of competing effectively (known as outcome-based competitiveness) is the improvement in the region’s life quality, which is a derivative of economic growth resulting from an increase in labour productivity and higher employment rate. For regions with low levels and low dynamics of growth, increasing productivity while improving the rate of employment is a major challenge as short term improvement of both these factors does not necessarily take place simultaneously. In such regions, any increase in productivity that results from processes of economic restructuring and structural changes is often achieved at the expense of jobs. Maintaining high productivity in the region and the ability to create new sustainable jobs in the long term requires supporting the so-called factor-based competitiveness, which is building such elements of competitive potential as technical, social and institutional infrastructure (Łaźniewska, Chmielewski, and Nowak 2012, 49). The transition to a higher level of competitiveness — i.e., from a level of resource-based competitiveness to competitiveness based on an increasing income from investment, and ultimately — to one based on innovation (Gardiner, Martin, and Tyler 2004, 39), is not possible without a region’s access to the basic high-quality technical, social and economic infrastructure or the involvement of the institutional factor in order to be able to utilise these resources more efficiently (Wosiek 2009, 175). A region’s competitive position based on these kinds of resources will have an impact on more and more advanced factors determining its competitive advantage or the ability to compete in the future (Porter 1990, 18–21). These include the development of existing industries and the creation of new, highly efficient sectors of regional economy (Jewtuchowicz 2000, 34).

In the process of building factor competitiveness, the regions may use the funds from the EU budget for the implementation of the cohesion policy, whose two main objectives for the period 2014–2020 are improved growth and employment rate.

2 The possibilities for utilising EU funds by the communes of the Kujawsko-Pomorskie Voivodship in 2014–2020

In the current financial framework (2014–2020), Poland has EUR 82.5 billion at its disposal from the EU cohesion policy budget. These funds aim to create conditions for further growth in the country mainly by increasing the competitiveness of its economy, promoting social and territorial cohesion and improving the country’s efficiency and effectiveness. They will be allocated at the central level through the use of national operational programmes and the European Territorial Cooperation Programmes (implemented with a foreign partner), as well as at the regional level — through regional operational programmes. Being able to utilise the majority of national programmes (i.e., Infrastructure and the Environment, Smart Development, Digital Poland, Knowledge-Education-Development, Technical Support) and the Kujawsko-Pomorskie Voivodship’s dedicated regional programme is crucial for the communes of the Kujawsko-Pomorskie Voivodship.

The purpose of the Infrastructure and Environment Operational Programme is to support a resource-efficient and environmentally friendly economy that promotes social and territorial cohesion. The programme will ensure the implementation of the following priority axes: a reduction in the emissions of the economy, environmental protection (including adaptation to climate change),

5. The data included in this part of the study comes mainly from the Ministry of Infrastructure and Development, available in March 2015, published at http://www.mir.gov.pl/.
developing environmentally friendly transport infrastructure which is important for all Europe, increasing the availability of European transport networks and the development of energy security infrastructure. The Smart Growth Operational Programme focuses on the development of innovation in the Polish economy, mainly by stimulating research and development and transferring research results to this economy. The purpose of the Digital Poland Operational Programme is to strengthen the digital foundations that promote the socio-economic development of the country. The programme will support the investments aimed at making broadband internet more accessible, developing products and services based on information and communication technology and increasing the use of ICT in services (e.g., e-government). The Knowledge-Education-Development Operational Programme was established for the purpose of implementing the reforms related to employment, social exclusion, education, higher education, health and good governance. The means earmarked under this programme are also to support social innovation as well as the initiatives related to providing employment for young people. The Technical Support Operational Programme is a tool aimed at improving administration and supporting the implementation of the cohesion policy. It provides funding for building the capacity of a system of institutions involved in the administration of EU funds and supporting the institutions responsible for the implementation of projects. As part of the programme, appropriate measures will also be taken aimed at promoting and providing information about European funds available to the applicants in Poland in 2014–2020.

In the current financial framework, the implementation of national programmes will use up approximately 60% of the cohesion policy budget earmarked for Poland. The remaining 40% is available to voivodship authorities managing those regional programmes. Of the total EUR 31.3 billion earmarked for regional programmes, the local authorities of the Kujawsko-Pomorskie Voivodship have EUR 1.903 billion at their disposal. The above amount is to turn the voivodship into a competitive and innovative region of Europe and improve the quality of life for its inhabitants.6 As part of the Regional Operational Programme for the Kujawsko-Pomorskie Voivodship, the following 12 priority axes are to be implemented: improving the level of innovation and competitiveness of the region’s economy (engaging EU funds — EUR 429.6 million), a digital region (EUR 50.2 million), energy efficiency and low-carbon economy in the region (EUR 282.2 million), an eco-friendly region (EUR 118.7 million), the region’s internal cohesion and external accessibility (EUR 206.0 million), social solidarity and competitive workforce (EUR 241.6 million), community-driven local growth (EUR 39.8 million), active in the labour market (EUR 183.6 million), social solidarity (EUR 124.6 million), innovative education (EUR 131.1 million), community-driven local growth (EUR 36.3 million) and technical support (EUR 59.9 million).7 The major change, compared to the previous financial framework, consists in stressing the importance of innovation and competitiveness of the region’s economy using soft factors related in particular to human resources.

3 The activity and expectations of the communes of the Kujawsko-Pomorskie Voivodship related to the acquisition of EU funds in the financial framework 2014–2020 — selected survey results

3.1 Methodology
The survey was conducted as part of the project called “Communes of the Kujawsko-Pomorskie voivodship in the financial framework 2014–2020 — opportunities and threats.” The research project was carried out by a team from the Faculty of Economic Sciences and Management, at Nicolaus Copernicus University in Toruń8 between May and August 2014. The objectives of this


8. The team consisted of the following members: Włodzimierz Karaszewski — the head, Leszek Czaplewski, Małgorzata Jaworek, Marcin Kuzel, Małgorzata Szałucka, Aneta Szóstek, Magdalena Kuczmarska.
project included identifying these communes’ intentions as to increasing the intensity of efforts aimed at raising funds in the financial framework 2014–2020; identifying the programmes that the communes intend to use in this framework; identifying the expected outcomes from the use of the funds raised and determining the importance of this funding for the implementation of the objectives contained in individual commune strategies. In order to achieve these objectives, the local authorities of the Kujawsko-Pomorskie Voivodship were requested to provide their evaluation and opinion on this subject. All 144 communes of this voivodship were invited to participate in the study. A total of 104 correctly completed questionnaires were returned — 63 from rural communes, 13 from urban communes and 28 — from urban-rural communes. The return rate and structural compatibility (the study included 72% of all the communes; 68.5% from the rural communes, 76.5% — from urban and 80% from urban-rural communes) make the results of the study representative (meaning that they can be generalised to describe all the communes of the Kujawsko-Pomorskie Voivodship).

3.2 Intensification of efforts to raise funds from the European Union in the financial framework 2014–2020 and the programmes the communes in the voivodship intend to use

The communes of the Kujawsko-Pomorskie Voivodship intend to intensify their efforts to raise EU funds in the financial framework 2014–2020. Nearly 90% of the communes surveyed were preparing to raise funds through prior preparation of investment proposals that would be eligible for EU funding. Half of the local authorities train their staff in this area, and a third cooperate with other communes. Virtually none of the communes surveyed plan to employ staff experienced in fundraising, and only one in ten communes intends to cooperate with an external fundraising company. Almost all the local authorities in this voivodship expressed the view that the experience they had gained while applying for EU funding in the 2007–2013 financial framework will have either significant or very significant importance when applying for the funding that has been allocated in the new framework.

The results of the survey show that virtually all the local authorities will be applying for funding as part of the regional programmes (fig. 1). Nearly 60% of the communes are planning to use the Infrastructure and Environment Operational Programme, while more than half will apply for funding for the projects under the Knowledge-Education-Development Operational Programme. One in four communes intends to prepare an application that meets the criteria of the Digital Poland Operational Programme, and nearly one fifth – the Smart Development Operational Programme. The least popular were the following pan-European programmes: United Europe, Food for the Poor and the Initiative for Youth Employment.

![Fig. 1. The programmes that the communes of the Kujawsko-Pomorskie voivodship intend to use in the financial framework 2014–2020](image)

Source: own study based on the results of the survey
Note: Reported values do not add up to 100% because the respondents were able to choose more than one answer.

3.3 Expected outcomes of the use of funding under the financial framework 2014–2020

The most important outcome that the communes of the Kujawsko-Pomorskie Voivodship expect to get as a result of the use of EU funds in the financial framework 2014–2020 is to improve the
road and transport infrastructure (fig. 2). The importance factor for this outcome was as high as 0.95. The communes also expect to improve their technical infrastructure: their equipment and networks regarding the energy industry, the supply of central heating, water, sewage and waste disposal, etc. This outcome ranked second (importance factor 0.82). These responses indicate that the communes continue to recognise the shortcomings associated with the “hard” infrastructure in the region and the EU funds are seen as the primary source of funding for this type of investment.

Communes’ expectations regarding their anticipated outcomes of the use of EU support in the 2014–2020 framework match the outcomes they expected to achieve by implementing the investment projects undertaken by the communes in the period 2007–2013 as part of the 1st Priority Axis of the Regional Operational Programme in the Kujawsko-Pomorskie Voivodship in 2007–2013. The objective of this axis was to improve the region’s technical infrastructure, particularly in terms of (road, rail, air) transport to increase the accessibility of the region as well as improve internal links and transport safety.

Communes’ expectations also include improvements in the educational and cultural infrastructure (fig. 2). This outcome ranked third (0.64). It is very significant because one of the factors of a region’s sustainable development is the preservation of its cultural heritage, especially through the active protection of historic sights and a reduction of the civilisation gap through the modernisation and development of cultural infrastructure. Focusing on the role of culture in the region may significantly affect the ability to better utilise the potential of tourism and employment in the tourist services and cultural sectors, and consequently the economic development of the region. It could be argued that the communes of the Kujawsko-Pomorskie Voivodship perceive the financial framework 2014–2020 in terms of opportunities for turning the region into a culturally attractive area for tourists on a national scale.

The communes in this voivodship also expect to improve their sports infrastructure. This outcome ranked fourth (0.57). This demonstrates their appreciation of the importance of sport and recreation in improving the quality of life among the local communities. Future investment plans in these communes may therefore include projects resulting in the creation of a number of modern facilities such as sports fields, tennis courts, playgrounds and other sports facilities. It may also be concluded that the communes see tourism, including perhaps active tourism, as one of the most important pillars of development, as evidenced by the expected improvements in the state of the natural environment as a result of the implementation of the investment projects in the current financial framework, (this factor ranked fifth 0.52).
It is surprising, however, how the communes perceive the development of entrepreneurship to be one of the less important uses of EU funding. This outcome ranked only sixth (0.46). It is a cliché to say that entrepreneurship is an engine of positive change leading to a region’s improved competitiveness and quality of life for its inhabitants and the main factor in social and economic development. It seems that the remaining potential outcomes indicated by the respondents should have a secondary role compared to the main outcome, which is developing entrepreneurship. Increasing a region’s capacity, for example by improving the wider infrastructure, certainly prerequisites but does not guarantee positive changes in the level and the dynamics of growth in the region. The development of entrepreneurship, however, is essential for such changes to take place. Ranking the development of entrepreneurship this low among the outcomes of the use of EU funding is particularly confusing in the light of the poor performance of the Kujawsko-Pomorskie Voivodship when compared to the other regions in the country by their level of economic growth, as indicated in the introduction. Local authorities should particularly care about both creating favourable conditions for the development of entrepreneurship and stimulating entrepreneurial initiatives. The results of this study show that this approach to entrepreneurship is evidenced only by urban communes. They ranked the expected outcome of entrepreneurship development second alongside the improvements in technical infrastructure, suggesting that it will be the overriding goal of the majority of projects submitted by the communes for funding under the financial framework 2014–2020.

It must be emphasised that all the communes participating in the survey intend to use the EU funding available to them under the financial framework 2014–2020 for attaining the objectives formulated in their development strategies. The majority of communes (60.6%) believe that the funds will be important for achieving these objectives, while 37.5% expressed the view that their importance will be very significant. Only 1.9% of the communes are more cautious in their assessment, claiming that the funding will play a small role in achieving the goals set out in their strategy (fig. 3).

![Fig. 3. The perceived importance of European Union funds for achieving the objectives set out in a commune’s strategy in the financial framework 2014–2020](image)

The results of the study show that, when estimating the potential outcomes of their use of EU funding in 2014–2020, the communes referred to their intentions outlined in their strategic documents. They did not necessarily match their expectations with the actual opportunities that these operational programs provide in terms of the implementation of investment projects.

**Conclusions**

The financial framework 2014–2020 brings enormous opportunities for Polish regions in terms of scaling up their development processes and will be extremely important for the country’s long-term social and economic development. This will enable the communes to continue the efforts initiated in 2007–2013 aiming at improving the competitiveness of regional economies. Maximizing these benefits depends on the one hand on ensuring full absorption of the allocated funding and on the other on utilising it in the most efficient way.

The above paper has presented selected results of what is most likely the first and so far the only study of this kind in Poland. It helped identify, among other things, the expected outcomes of the use of EU funds in the financial framework 2014–2020 by the communes of the Kujawsko-Pomorskie voivodship and the importance of this funding for the implementation of individual commune development strategies.
The results of the study show that the communes of the Kujawsko-Pomorskie Voivodship intend to actively seek financial resources made available to Poland for the implementation of the cohesion policy in 2014–2020, as part of both the national programmes and the regional programme, with the latter being reported the most frequently. The conclusions drawn from this study have raised some concerns, however, as it seems that the expectations of the communes regarding the outcomes that they expect to achieve as a result of the implementation of the projects co-financed by the EU, are formulated based on the opportunities offered by the regional programme in the previous financial framework. In addition, these expectations relate to objectives set out in their development strategies. They have not been matched with the actual opportunities offered by the operational programmes in the 2014–2020 framework in terms of the implementation of their investment projects.

The EU funding available as part of the current financial framework can be used by the communes of the Kujawsko-Pomorskie Voivodship to build their competitive potential. If local authorities approach this problem skilfully, then this potential may not only become a factor but also a guarantee of positive changes in the level and the dynamics of growth in the region. They should therefore seek to ensure that the projects financed with the help of the EU funds contribute to the intensification of entrepreneurship development and a significant improvement in the investment attractiveness of the region. The communes participating in the survey do not seem to fully recognise this fact.

References


