

SPRING 2012 REFORM BAROMETER – POLAND

		<u>Level</u>			<u>Rank</u>			<u>Gap</u>		<u>Areas of Action</u>
		2010	2011	Change	2010	2011	change	EU top 5	Gap ¹	
Pillar I	1 GDP per capita (Purchasing Power Parity- PPP)	15258	16092	5,5%	28	27	1	NL AT IE SE DK	-50%	
	2 GDP per capita (€ at 2000 prices)	8215	8537	3,9%	28	27	1	DK IE SE NL AT	-76%	
	3 Labour productivity per hour worked (PPP)	17,9	18,7	4,6%	28	28	0	NL BE FR IE DE	-58%	
	4 Labour productivity per person employed (PPP)	36700	38362	4,5%	28	28	0	IE BE AT FR NL	-45%	
	5 Private investment (excluding non residential, %GDP)	1,7	0,9	-0,8	29	32	-3	SK AT BE IT CZ	-7,6	
	6 Industrial activity (% total value added)	27,5	27,8	0,3	6	6	0	SK CZ IE RO HU	-2,6	
	7 R&D expenditure (% GDP) *	0,7	0,7	0,1	26	25	1	FI SE DK DE AT	-2,4	
	8 Operating surplus (% total value added)	48,9	49,0	0,0	10	10	0	BG GR RO LT IE	-6,2	
Pillar II	9 Current Account (% GDP)	-4,6	-5,0	-0,4	28	28	0	SE DK NL LU DE	-10,7	
	10 Export market share (gain from 2000)	45,2	46,9	1,7	5	6	-1	LT RO HU BG CZ	-16,2	
	11 Net export contribution to GDP	-0,8	0,0	0,8	27	23	4	PT IE GR SK HU	-3,1	
	12 Relative yearly gain in global trade share (% total trade)	-0,02	-0,05	0,0	8	26	-18	EE LT LV BG CZ	-0,15	
	13 Relative unit labour cost (gain from 2000)	-7,1	-5,7	1,4	3	5	-2	DE SE AT PL GR	1,3	
	14 High-tech exports (% total exports) **	4,3	5,7	1,4	28	25	3	MT LU HU IE CY	-24,3	
Pillar III	15 Employment rate (% working age population)	59,3	59,3	0,0	20	21	-1	AT NL LU DE CY	-11,1	
	16 Employment rate 15-24 (% population 15-24)	26,3	24,5	-1,8	20	22	-2	NL DK AT DE UK	-28,8	
	17 Employment rate 55-64 (% population 55-64)	34,0	36,1	2,1	31	29	2	SE DE DK UK FI	-24,6	
	18 Annual hours worked (per capita)	2050	2048	-0,1%	1	1	0	PL PT CZ GR HU	4%	
	19 Labour participation (% working age population)	66,6	67,2	0,6	28	28	0	SE DK NL PT DE	-12,5	
	20 Working age population (as % total population)	71,3	71,0	-0,3	2	2	0	SK PL CY LT RO	1,0	
	21 Unemployment rate (% labour force)	9,5	9,2	-0,3	20	21	-1	AT NL LU DK MT	3,8	
Pillar IV	22 Gross debt - general government (% GDP)	54,9	56,7	1,9	14	14	0	EE BG LU RO SE	34,1	
	23 Net debt - general government (% GDP)*	-27,1	-31,8	-4,7	14	15	-1	EE DK BG RO SE	-37,2	
	24 Government budget balance (% GDP)	-7,8	-5,6	2,3	24	20	4	HU SE EE LU FI	-4,1	
	25 Primary balance (% GDP)	-5,2	-2,7	2,4	23	21	2	HU SE DE EE IT	-5,2	
	26 Tax burden (% GDP)	31,9	33,2	0,0	10	11	-1	BG LT LV RO SK	5,3	
	27 Highest marginal tax rate, individual rate (%)	32,0	32,0	0	10	11	-1	BG CZ LT RO SK	35	
	28 Public investment (% total public expenditure)	14,4	16,7	0,2	3	2	1	RO PL BG LV LT	1,7	
Pillar V	29 Net foreign assets (% GDP) *	64,3	66,1	1,8	18	18	0	LU NL CY BE DE	141,8	
	30 Net financial assets, households (% GDP) *	46,8	49,2	2,4	22	23	-1	BE IT MT NL CY	-121,6	
	31 Net financial liabilities, non financial corporations (% GDP)*	-85,2	-80,0	5,3	6	6	0	SK DE NL GR DK	19,6	
	32 Regulatory tier 1 capital to risk weighted assets *	11,3	11,3	0,0	18	22	-4	EE BE MT LU RO	-3,6	
	33 Non performing loans to total gross loans	7,6	3,9	-3,7	25	11	14	FI LU SE AT BE	-8,0	
	34 Loans to private sector (% GDP) *	52,5	51,5	-1,0	4	3	1	RO SK PL CZ LT	-0,3	
	35 Bank liabilities (%GDP) *	77,0	77,0	0,0	3	3	0	RO SK PL LT BG	-3	

■ Five best

■ Lowest third

1. Percentage points, when not indicated otherwise

* 2009/ 2010 data

** 2008/ 2009 data

A methodological note can be found in the report or [here](#).

PRIORITIES FOR REFORM IN 2012

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?	
			Yes	No
Priority 1	16	1) Liquidation of the pension privileges (miners, uniformed services, farmers, prosecutors), 2) lower and more efficient social expenditures	x	
Priority 2	1	Changes in the regulatory system: more predictable, the stakeholders inclusion in the proces, administrative costs counting, "real" impact assessment,	x	
Priority 3	14	Raising the retirement age of women (60) to the level of the retirement age of men (65) and than raising the retirement age of both groups to 67		x
Priority 4	19	More clear and predictable VAT and CIT system (to cut the risk)		x
Priority 5	3	Support by tax system, dedicate new EU funds (2014-2020; if any) on the innovation projects	x	x

Policy areas

1. Business Environment - Regulatory barriers to entrepreneurship
2. Business Dynamics - Start-up conditions
3. R&D and Innovation
4. ICT
5. Competition policy framework
6. Sector specific regulation (telecom, energy)
7. Market integration - Openness to trade and investment
8. Active labour market policies
9. Job protection
10. Labour supply measures for specific groups (older workers, women...)
11. Wage bargaining and wage-setting policies
12. Labour market mismatch and labour mobility
13. Making work-pay: interplay of tax and benefit system
14. Pension and health care reforms
15. Quality of fiscal institutions and budgetary framework
16. Consolidation of public expenditures
17. Public sector efficiency
18. Public investment
19. Tax reforms
20. Access to bond markets
21. Access to equity markets
22. Venture capital and SME financing instruments
23. Bank lending conditions
24. Long term investment instruments

REFORM PROGRESS IN 2011

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?		How do you assess reform progress over the past year? (1 for excellent progress; 5 for no progress) *		Are these priorities properly identified in the National Reform Programme submitted by your government in 2011?	
			Yes	No	Comments	Rank	Yes	No
Priority 1	1	1) Reduction in the number of the concession and permits for the business activities; 2) Exchange of certificates for declarations in contacts with the public administration;	x		Exchange of certification for declaration is done	3		x
Priority 2	16	Liquidation of the pension privileges (miners, uniformed services, farmers, prosecutors)		x	Because of the parliamentary election (OCT'2011) the government didn't touch it	5		x
Priority 3	14	Raising the retirement age of women (60) to the level of the retirement age of men (65) and than raising the retirement age of both groups to 67		x	Because of the parliamentary election (OCT'2011) the government didn't touch it	5		x
Priority 4	6	The adoption of the act about the renewables (being an implementation of the renewables directive)	x		Ministry of Environment still working on it	4		x
Priority 5	8	Implementing the extended accounting period for the working time (longer than 3 months)		x	Implemented temporary (till the end of 2011)	3		x

* Please see list of areas on page 2 "reform priorities for 2012"

* Rank of reform progress: 1. Excellent/ no further progress needed; 2. Satisfactory; 3. Mixed; 4. Unsatisfactory; 5. No progress

REFORM PROGRESS IN OVERALL POLICY AREAS 2011

	<i>Excellent</i>	<i>Satisfactory</i>	<i>Mixed</i>	<i>Unsatisfactory</i>	<i>No progress</i>
Productivity and investment		x			
International competitiveness				x	
Labour market				x	
Public finances			x		
Financial stability			x		

EUROPEAN SEMESTER

1. Do you believe the European Semester will bring a real change to policy coordination in Europe?

<i>Yes, absolutely</i>	<i>To a large extent</i>	<i>To some extent</i>	<i>Not enough</i>	<i>Not at all</i>
			x	

2. Basing your analysis on the National Reform Programme submitted by your government, would you consider that it reveals a greater commitment from your country to this process?

<i>Yes, absolutely</i>	<i>To a large extent</i>	<i>To some extent</i>	<i>Not enough</i>	<i>Not at all</i>
			x	

3. Do you believe the National Reform Programme submitted by your government properly reflects the key challenges in your county?

<i>Yes, absolutely</i>	<i>To a large extent</i>	<i>To some extent</i>	<i>Not enough</i>	<i>Not at all</i>
		x		

4. The Commission's country specific recommendations for your country are:

<i>Excessively complacent</i>	<i>Slightly too positive</i>	<i>Absolutely appropriate</i>	<i>Slightly too negative</i>	<i>Excessively harsh</i>
		x		

5. Are the country-specific recommendations being properly implemented?

<i>Yes, absolutely</i>	<i>To a large extent</i>	<i>To some extent</i>	<i>Not enough</i>	<i>Not at all</i>
		x		

6. Are commitments concerning the euro plus pact properly addressed by your government in the NRP?

<i>Yes, absolutely</i>	<i>To a large extent</i>	<i>To some extent</i>	<i>Not enough</i>	<i>Not at all</i>
		x		

7. Do you believe the Commission recommendations in this area to be appropriate?

<i>Yes, absolutely</i>	<i>To a large extent</i>	<i>To some extent</i>	<i>Not enough</i>	<i>Not at all</i>
	x			