

THE USE OF THE EUROPEAN UNION FUNDS FOR THE DEVELOPMENT OF AGRICULTURAL FARMS IN POMORSKIE PROVINCE OF POLAND

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Purpose: The aim of the article is to analyse data on the use of European Union funds for the development of agricultural farms in Pomorskie Province of Poland (*a.k.a. Pomerania*).

Design/methodology/approach: The paper uses a description and analysis of the available source data obtained from the Management Information System of the Agency for Restructuring and Modernisation of Agriculture (ARiMR), regarding the use of funds from the Rural Development Programme for the development of Pomeranian farms.

Findings: The research found that the European Union funds contribute to the development of farms in Pomorskie Province. Farmers gladly use the Rural Development Programme. Under Measure 4.1.1, over 66.0% of the submitted applications were accepted, which ranks Pomorskie Province first in relation to other provinces in the country. Under Measure 4.1.2, farmers from Pomorskie Province used nearly 60% of the available limit. Pomorskie is in the 4th place in this respect, with the result of 55.2%. Under Measure 4.1.3, Pomorskie Province was close to the national average with 42.2% of accepted applications. In terms of the number of beneficiaries to whom aid was paid out, Pomorskie Province ranks 12th among all provinces. Under Measure 6.1 in Pomorskie Province, 726 farmers were granted aid, and 64.1% of the submitted applications were approved. Under Measure 6.3 in Pomorskie Province, more than half of the submitted applications were approved and received funding in the amount of PLN 20,364,000.

Research limitations/implications: The main limitation in conducting research is the dearth of up-to-date data on EU funds for the development of farms in Pomorskie Province.

Practical implications: Further research will focus on obtaining information on funds that will not only arrive from the European Union, which are necessary to take influencing actions for the development of agricultural farms.

Social implications: The development of agricultural farms will contribute to the improvement of the environmental and living conditions of farmers and livestock.

Originality/value: The conducted analysis showed that there is a need to obtain information on funds for supporting the development of farms.

Keywords: agricultural farms, European Union Funds, Pomorskie Province, Pomerania.

Category of the paper: research paper.

1. Introduction

The Common Agricultural Policy is based on two pillars. The first one is made up of two elements: common organization of agricultural markets and a system of direct payments. The second pillar supports restructuring and investments in farms, and also promotes sustainable management methods, diversification and activation of rural areas (Żmija, 2016). Investments are a factor of development and structural changes in agriculture. Their goal is predominantly to increase the value of the farm, to improve the quality of production and the economic situation of farmers and their families, and, in the short term, to increase revenues (Lorencowicz, Cupiał, 2013). Direct payments are the basic instrument to support farmers (Krzyżanowski, 2015) and are designed to directly increase income. They are proportional to the size of farms, as this kind of connection affects the market to a lesser extent than the subsidies proportional to production capacity (Babuchowska, Marks-Bielska, 2011). In 2013 Poland saw a transfer of funds from the second pillar in favour of direct payments, whose budget after the transfer amounted to EUR 23.49 billion, which enabled the introduction of an additional payment for farms between 1 and 30 hectares in size. (Król, 2015) – the so-called *Additional (Redistributive) Payment*. An important issue of the Common Agricultural Policy after 2014 is also the issue of the environment. As a rule, as much as 30% of the funds received by a farmer depend on meeting the requirements for the diversification of crops and the maintenance of ecological focus areas, e.g. fallow land, catch crops, nitrogen-fixing crops, buffer zones or mid-field forest stands (Czyżewski, Stępień 2014).

The issues of using EU funds for the development of agricultural farms are also discussed by, inter alia, Grzelak and Kielbasa (2014) and Parzonko and Hornowski (2017) in their various works.

2. Methodology and organization of research

The aim of the article is to analyse the data on the use of the European Union funds for the development of farms in Pomorskie Province. The method of description and analysis was employed in this paper. The research material consisted of data obtained from the Central Statistical Office and the Management Information System of the Agency for Restructuring and Modernization of Agriculture on the use of funds from the Rural Development Programme (RDP) in the scope of measures carried out by the ARiMR as of December 31, 2020. Data was analysed on the number of submitted applications for granting aid, the requested amount of aid, the number of concluded aid contracts, the amounts stated in those contracts and the amounts of concluded payments, relating to the following measures:

- 4.1.1. Modernization of farms in the *Natura 2000* areas.
- 4.1.2. Investments aimed at protecting waters against pollution with nitrates from agricultural sources.
- 4.1.3 Modernization of farms – collectively for areas a, b, c, d, e.
- 6.1 Bonuses for young farmers.
- 6.3 Restructuring of small farms.

The obtained data are presented in tables. The collected material was analysed and described in detail.

3. Financing the development and investments in farms

Investments and the development of farms require significant financial outlays. Farms have the possibility to finance part of their investment costs with the help of European Union funds. Within the framework of the Rural Development Programme, which was approved by the European Commission on December 12, 2014, 14 groups of measures can be distinguished:

1. Knowledge transfer and information activity.
2. Advisory services, farm management and farm relief services.
3. Quality systems for agricultural products and foodstuffs.
4. Investments in fixed assets.
5. Restoring agricultural production potential damaged by natural disasters and catastrophes and introducing appropriate preventive actions.
6. Farm and business activity development.
7. Basic services and village renewal in rural areas.
8. Forestation and creation of forest land.
9. Creation of producer groups and organizations.
10. Agricultural-environmental and climate measures.
11. Organic farming.
12. Payments for areas with natural or other specific constraints (LFA).
13. Collaboration.
14. LEADER (MARD, 2015).

The main sub-measures which enable the financing of the development and investments in an individual farm are sub-measures under Measures 4 and 6:

1. Measure 4 – Investments In Fixed Assets:
 - Sub-measure 4.1.1 – Investments in farms located in *Natura 2000* areas,
 - Sub-measure 4.1.2 – Investments in farms located in particularly vulnerable areas,
 - Sub-measure 4.1.3 – Modernization of agricultural farms.

2. Measure 6 – Farm and business activity development:

- Sub-measure 6.1 - Business start-up aid for young farmers,
- Sub-measure 6.3 - Business start-up aid for the development of small farms.

Investments in farms located in *Natura 2000* areas is an activity that supports investments in grassland cultivation and livestock production on farms that operate in accordance with environmental protection requirements in *Natura 2000* areas. The basic requirement to gain access to the programme is a farm of at least 1 hectare of grassland located in *Natura 2000* areas. In addition, the investment must contribute to the maintenance and use of permanent grassland, will not adversely affect the protection objectives of the area, is not inconsistent with the obligatory protective measures that have been specified for the area where the farm is located and must meet the requirements of other legal provisions (e.g. Construction Law, etc.) (Rozporządzenie Ministra Rolnictwa, 2017). The aid that can be obtained is PLN 200,000 in the case of non-construction investments and PLN 500,000 if the investment is directly related to the construction, reconstruction or renovation of livestock buildings and other buildings used for agricultural production (Linkiewicz et al., 2014).

The use of support as part of investments in farms located in areas particularly vulnerable to nitrate pollution from agricultural sources enables financing the construction of manure plates, slurry tanks and the purchase of septic tanks. The programme is aimed at farmers who own livestock and allows them to adapt their farms to the requirements, which were set out in the action programme aimed at reducing water nitrate pollution from agricultural sources and preventing further pollution. As the programme became effective throughout the country on 5th June 2018, all livestock breeding businesses must adapt the surface of the plates and the capacity of the natural fertilizer tanks (Nabór wniosków..., 2021). A deadline has also been set for the adaptation for farms that do not have adequate infrastructure. In the case of larger farms – above 210 large units of conversion (LU), this deadline is December 31st, 2021. Smaller farms, however, have their deadline on December 31st, 2024 (Rozporządzenie Ministra Rolnictwa i Rozwoju Wsi, 2020). Therefore, support under this sub-measure may be granted for the construction, reconstruction and renovation of manure plates, slurry and liquid manure tanks as well as in the event that a farmer applies, who meets the requirements of the "Young Farmer" programme for the construction, reconstruction and renovation of slabs for storing silage. The maximum grant rate is 50% of the eligible costs or 60% for young farmers. The amount that can be received is PLN 100,000 (Olender, 2020). After the investment is completed, the beneficiary should have a place for storing solid natural fertilizers for a period of at least 5 months and tanks that will enable storing liquid manure or slurry for a period of at least 6 months (Warunki przechowywania..., 2020).

Modernisation of agricultural farms is a sub-measure for which the largest funds have been allocated under the Rural Development Programme (MRiRW, 2015). It was initially divided into 4 areas: area "a" related to the development of piglet production, area "b" related to the production of cow's milk, area "c" related to the production of beef cattle, area "d" related to the rationalisation of production technology, increasing the production capacity, improving production quality, introducing innovation, changing the production profile or increasing the added value of a product (Linkiewicz et al., 2014). In November 2018, however, the RDP Monitoring Committee adopted changes to the Rural Development Programme, which made it possible to introduce a new area (Pokora-Kalinowska, 2019). On August 22nd, 2019, the ordinance of the Minister of Agriculture and Rural Development was published, which introduced area "e" – on irrigation of farms. The amount of support depends on the area in which the application was submitted. The highest limit was set for investments related to the development of piglet production and amounts to PLN 900,000 per farm. On the other hand, in the "b" – "d" areas, the limit is PLN 200 thousand or PLN 500 thousand, if the investment is directly related to the construction or reconstruction of livestock buildings. The limits of the above areas cannot be combined (Pokora-Kalinowska, 2020). A separate limit is in force in the area of farm irrigation and amounts to PLN 100,000 (Poddziałanie 4.1.3. Modernizacja..., 2020). The co-financing is available to farmers who run a farm with an area of at least 1 hectare and an economic size of at least EUR 13,000 or, if beneficiaries apply for aid under the joint use of machines within area "d", the sum of the economic sizes of the applying farms is EUR 15,000. However, the beneficiaries undertake to obtain the economic size at the level of EUR 13,000 for each of the beneficiaries, in the year in which they submit the final payment application (Rozporządzenie Ministra Rolnictwa i Rozwoju Wsi, 2015). Aid under "a" – "d" areas may be allocated to the construction, conversion and renovation of buildings used for agricultural production and preparation for sale of agricultural products, purchase of machinery, establishment of orchards, creation of pastures and animal enclosures, purchase and installation of renewable energy sources equipment, and purchase of computers and farm management software. The costs of preparing documentation such as: cost estimates, reports, projects may also be financed, but they cannot constitute more than 10% of all eligible costs (ARiMR, 2020).

Individuals who start running a farm can take advantage of the Young Farmers Bonus, under which they can receive PLN 150,000 (prior to 2019 it was PLN 100,000). The main requirement is the time that has elapsed since the commencement of agricultural activity, which cannot be longer than 24 months. An important criterion is agricultural education, as each programme beneficiary, who does not have such education, undertakes to complete it within three years of receiving an approval. The aid is disbursed in two instalments, the first of which amounts to PLN 120,000 and is paid upon the applicant's request, which must be submitted no later than 9 months from the date of granting the aid. The second instalment of PLN 30,000 is also paid upon the farmer's request. The application for the second instalment of the bonus is to be submitted upon the completion of the objectives contained in the business

plan which was attached to the aid application. Under this programme, both the purchase of machinery and equipment, renovation and construction of buildings as well as the purchase of land can be financed (ARiMR, 2021). The area of the established farm must be at least equal to the average farm area in the country, and if the average is lower in the province where the applicant will be running their business, the average for that province is binding. Moreover, at least 70% of this area must be own land or land leased from the Property Resources of the State Treasury or Local Government Units. This area also includes land used on the basis of perpetual usufruct (Świerk, 2015).

Small farms can count on support from the Rural Development Programme through the Sub-measure Restructuring of Small Farms. As part of this measure, it is possible to obtain PLN 60,000 of a non-returnable bonus for the restructuring of a farm whose economic size does not exceed EUR 13,000. According to the adopted rules, the farm must be run for profit, which means that the income or revenue from agricultural sources must constitute at least 25% of all income/revenues. The rules for paying out the aid are similar to those for the Young Farmer Bonus. The application for the payment of the first installment should be submitted no later than 6 months from the approval. In the first tranche, 80% of the total amount of aid, i.e. PLN 48,000 is paid. The second installment in the amount of PLN 12 thousand (20% of the total amount) is paid upon request after the upon the completion of the objectives contained in the business plan. The aid can be used both for the purchase of fixed and current assets, but the cost of purchasing current assets may not exceed 20% of the bonus received.

4. Financing the development of agricultural farms in Pomorskie Province compared to other regions of the country in the light of ARiMR data

As part of the Sub-measure 4.1.1. Support for investments in agricultural farms located in *Natura 2000* areas, the Agency for Restructuring and Modernization of Agriculture (ARiMR) conducted 3 calls for applications. In total, 305 applications for aid were submitted in Pomorskie Province. This constitutes 7.6 percent of the total number of applications submitted under this sub-measure throughout Poland. Beneficiaries who submitted applications in Pomorskie Province applied for PLN 165,668.3 on average for investment co-financing (Table 1). Considering the limits that apply to this measure – PLN 200,000 of aid in the case of investments not directly related to livestock buildings and PLN 500,000 when the investment includes renovation, reconstruction or construction of livestock buildings, most farmers did not apply for the full amount of aid.

Table 1.

Number of applications and the requested amount of aid under sub-measure 4.1.1. Investments in farms located in Natura 2000 areas

Province	Number of applications	Requested amount of aid [PLN]	Average requested amount per 1 beneficiary [PLN]
Podlaskie	970	171,379,836.0	176,680.2
Mazowieckie	481	78,440,703.4	163,078.4
Wielkopolskie	458	76,421,574.3	166,859.3
Warmińsko-mazurskie	357	65,085,351.7	182,311.9
Pomorskie	305	50,534,919.3	165,688.3
Lubuskie	255	47,396,724.7	185,869.5
Zachodniopomorskie	243	44,760,828.5	184,200.9
Łódzkie	182	28,414,243.4	156,122.2
Kujawsko-pomorskie	181	25,758,849.7	142,314.1
Lubelskie	168	32,915,908.5	195,928.0
Dolnośląskie	136	23,431,272.5	172,288.8
Podkarpackie	117	15,836,695.8	135,356.4
Świętokrzyskie	70	11,914,450.8	170,206.4
Małopolskie	56	6,376,336.8	113,863.2
Śląskie	30	6,795,319.0	226,510.6
Opolskie	10	1,635,949.0	163,594.9
Poland	4,019	687,098,963.4	170,962.7

Source: Management Information System of the Agency for Restructuring and Modernisation of Agriculture.

Table 2.

Number of concluded aid contracts and the percentage of applications approved under sub-measure 4.1.1.

Province	Number of concluded contracts which grant aid	Percentage of applications resulting in contract conclusion [%]	Amount of concluded contracts which grant aid [PLN]	Average aid granted under contract per 1 beneficiary [PLN]
Podlaskie	631	65.0	103,092,228.4	163,379.1
Mazowieckie	258	53.6	39,066,910.0	151,422.1
Wielkopolskie	230	50.2	31,789,725.2	138,216.2
Warmińsko-mazurskie	209	58.5	31,478,978.3	150,617.1
Pomorskie	204	66.8	30,337,087.5	148,711.2
Lubuskie	156	61.1	25,186,024.9	161,448.9
Kujawsko-pomorskie	122	56.3	16,052,821.9	131,580.5
Zachodniopomorskie	112	50.2	16,395,424.2	146,387.7
Łódzkie	102	61.5	12,851,227.0	125,992.4
Dolnośląskie	63	43.3	9,660,091.0	153,334.8
Lubelskie	59	37.5	9,069,810.0	153,725.6
Podkarpackie	59	50.4	6,344,449.0	107,533.0
Małopolskie	40	55.3	3,717,780.5	92,944.5
Świętokrzyskie	31	57.1	4,807,290.5	155,073.9
Śląskie	7	23.3	1,639,742.5	234,248.9
Opolskie	2	20.0	219,550.0	109,775.0
Polska	2,285	56.8	341,709,140.9	149,544.5

Source: Management Information System of the Agency for Restructuring and Modernisation of Agriculture.

As a result of the verification of applications for aid, 204 contracts for granting aid were concluded for the total amount of PLN 30,337,087.5, which constitutes 8.9% of the total amount for which contracts were concluded throughout Poland. The average aid granted under the contract for one beneficiary in Pomorskie Province amounted to PLN 148,711.2, and over 66.0% of the submitted applications were approved, which puts Pomorskie Province in the first place compared to other provinces in the country (Table 2).

By the end of 2020, 134 beneficiaries received aid in the amount of PLN 18,328,078.70 in the province in question. The average amount of aid paid out was close to the average amount paid per 1 beneficiary in Poland as a whole (Table 3).

Table 3.

Number of beneficiaries and amount of payments made under sub-measure 4.1.1. Investments in farms located in Natura 2000 areas

Province	Number of beneficiaries	Amount of payments effected [PLN]	Average per 1 beneficiary [PLN]
Podlaskie	472	73,563,730.3	155,855.4
Mazowieckie	169	22,138,384.8	130,996.4
Wielkopolskie	152	19,454,354.8	127,989.2
Warmińsko-mazurskie	137	16,922,296.8	123,520.4
Pomorskie	134	18,328,078.7	136,776.7
Lubuskie	101	13,537,641.3	134,036.1
Kujawsko-pomorskie	83	9,711,616.9	117,007.4
Łódzkie	71	8,298,810.0	116,884.6
Zachodniopomorskie	58	7,676,239.3	132,349.0
Lubelskie	47	6,441,013.5	137,042.8
Podkarpackie	42	3,627,786.0	86,375.9
Dolnośląskie	36	5,256,931.0	146,025.9
Małopolskie	23	2,052,556.5	89,241.6
Świętokrzyskie	18	2,847,910.0	158,217.2
Śląskie	5	1,243,925.0	248,785.0
Opolskie	2	204,550.0	102,275.0
Poland	1,550	211,305,824.9	136,326.3

Source: Management Information System of the Agency for Restructuring and Modernisation of Agriculture.

The data in Table 3 show that farmers in Pomorskie Province willingly use the RDP Measure, which is Support for Investments in Farms Located in *Natura 2000* Areas. This is an opportunity for farms that use permanent grassland in a designated area to modernize their machine park, and thus properly take care of environmentally valuable areas.

Another measure that enables partial financing of investments on a farm is Measure 4.1.2 "Investments aimed at protection of waters against pollution with nitrates from agricultural sources". There were 3 calls for proposals, under which 5,370 applications for aid were submitted throughout the country, of which 293 applications (5.5%) were applications submitted in Pomorskie Province. As regards the data from the entire country, the beneficiaries applied for an average of PLN 71,310.3 of aid, while those who submitted their applications to the Pomeranian Branch of the Agency for Restructuring and Modernisation of Agriculture applied for an average of PLN 58 867.0 (Table 4).

Table 4.*Number of applications submitted under Measure 4.1.2 in individual provinces*

Province	Number of applications submitted	Requested amount of aid [PLN]	Average requested amount of aid per 1 beneficiary [PLN]
Wielkopolskie	1,097	79,785,655.8	72,730.8
Mazowieckie	909	65,091,049.2	71,607.3
Podlaskie	909	70,640,099.8	77,711.9
Łódzkie	492	32,649,922.3	66,361.6
Warmińsko-mazurskie	462	34,005,366.6	73,604.7
Kujawsko-pomorskie	387	25,533,343.1	65,977.6
Pomorskie	293	17,248,020.9	58,867.0
Lubelskie	233	16,837,731.1	72,264.9
Opolskie	119	9,514,514.0	79,953.9
Świętokrzyskie	86	5,191,187.4	60,362.6
Śląskie	80	6,039,889.9	75,498.6
Małopolskie	70	3,469,883.9	49,569.8
Lubuskie	66	6,092,333.6	92,308.1
Zachodniopomorskie	64	5,049,608.7	78,900.1
Podkarpackie	53	2,658,824.9	50,166.5
Dolnośląskie	50	3,128,754.4	62,575.1
Poland	5,370	382,936,185.6	71,310.3

Source: Management Information System of the Agency for Restructuring and Modernisation of Agriculture.

The aid limit under this measure is PLN 100,000, so, on average, farmers from Pomorskie Province used barely less than 60% of the limit available to them. Out of all the submitted applications, 2,912 were approved after verification by ARiMR employees (Table 5).

Table5.*Number of contracts concluded and percentage of applications approved under Measure 4.1.2*

Province	Number of concluded contracts granting aid	Percent of applications resulting in contracts [%]	Amount of contracts concluded [PLN]	Average aid granted per 1 beneficiary [PLN]
Podlaskie	686	75.4	55,084,908.6	80,298.7
Wielkopolskie	497	45.3	33,258,234.5	66,918.0
Mazowieckie	436	47.9	32,330,417.5	74,152.3
Warmińsko-mazurskie	285	61.6	20,699,812.5	72,630.9
Łódzkie	266	54.0	17,715,815.1	66,600.8
Kujawsko-pomorskie	193	49.8	12,345,362.7	63,965.6
Pomorskie	162	55.2	9,570,694.9	59,078.4
Lubelskie	159	68.2	11,244,699.6	70,721.4
Śląskie	43	53.7	2,965,123.6	68,956.4
Świętokrzyskie	42	48.8	2,536,072.5	60,382.7
Małopolskie	35	50.0	1,675,180.8	47,862.3
Opolskie	31	26.0	2,345,052.0	75,646.8
Zachodniopomorskie	30	46.8	2,005,257.0	66,841.9
Podkarpackie	25	47.1	1,452,318.0	58,092.7
Dolnośląskie	13	26.0	751,813.4	57,831.8
Lubuskie	9	13.6	784,181.8	87,131.3
Poland	2,912	54.2	206,764,944.4	71,004.4

Source: Management Information System of the Agency for Restructuring and Modernisation of Agriculture.

162 contracts for granting aid were concluded in Pomorskie Province alone, with an average amount of PLN 59,078.4, which is about PLN 12,000 lower than the average amount of aid granted in the country. The highest percentage of applications whose processing resulted in the signing of an aid contract in relation to Measure 4.1.2 can be seen in Podlaskie Province (75.4%). Pomorskie ranks the 4th place in this respect, with the result of 55.2% (Table 5).

Only 14 payments were made with an average amount of PLN 53,508.9 in Pomorskie Province by the end of 2020. In this area, the largest amount was paid out in Podlaskie Province. It accounts for 44.9% of payments made nationwide (Table 6).

Table 6.

Number and amount of payments effected under Measure 4.1.2

Province	Number of beneficiaries	Amount of payments effected [PLN]	Average per 1 beneficiary [PLN]
Podlaskie	317	24,249,385.8	76,496.5
Mazowieckie	118	7,831,598.7	66,369.5
Wielkopolskie	104	5,625,596.0	54,092.3
Łódzkie	69	3,448,386.4	49,976.6
Warmińsko-mazurskie	57	4,115,776.9	72,206.6
Kujawsko-pomorskie	38	2,285,596.5	60,147.3
Lubelskie	35	2,263,986.5	64,685.3
Świętokrzyskie	16	865,900.5	54,118.8
Pomorskie	14	749,125.0	53,508.9
Małopolskie	12	535,169.2	44,597.4
Śląskie	12	697,732.0	58,144.3
Zachodniopomorskie	6	382,874.0	63,812.3
Lubuskie	5	384,181.8	76,836.4
Opolskie	5	264,650.0	52,930.0
Dolnośląskie	2	115,850.0	57,925.0
Podkarpackie	2	123,917.0	61,958.5
Poland	812	53,939,726.3	66,428.2

Source: Management Information System of the Agency for Restructuring and Modernisation of Agriculture.

The most popular among the surveyed activities financed under the Rural Development Programme is the Modernization of Farms, including:

- Piglet production development (area a).
- Development of cow's milk production (area b).
- Development of beef cattle production (area c).
- Rationalization of production technology, introduction of innovations, change of the production profile, increase of the production capacity, improvement of production quality or increase in the added value of the product (area d).
- Irrigation (area e).

By the end of 2020, 5 calls for proposals were carried out under the areas a, b, c and 3 recruitment under the areas d and e. In total, ARiMR received 75,144 applications for aid, of which 2,977 applications were submitted in Pomorskie Province (3.9%). The beneficiaries applied for an average of PLN 204,254.8 (Table 7).

Table 7.*Number of applications submitted under Measure 4.1.3*

Province	Number of applications submitted	Requested amount of aid [PLN]	Average requested amount of aid per 1 beneficiary [PLN]
Mazowieckie	13,618	2,698,860,769.1	198,183.3
Wielkopolskie	11,359	2,675,912,821.3	235,576.4
Lubelskie	7,140	1,310,174,623.9	183,497.8
Podlaskie	6,728	1,524,568,479.9	226,600.5
Kujawsko-pomorskie	6,113	1,188,380,836.6	194,402.2
Łódzkie	5,535	982,912,672.7	177,581.3
Warmińsko-mazurskie	4,334	972,605,450.4	224,412.9
Świętokrzyskie	3,137	490,398,541.9	156,327.2
Pomorskie	2,977	678,390,447.8	227,877.2
Dolnośląskie	2,703	520,587,192.4	192,596.1
Zachodniopomorskie	2,528	577,216,825.0	228,329.4
Małopolskie	2,329	382,341,772.9	164,165.6
Opolskie	2,005	388,368,162.0	193,699.8
Podkarpackie	1,687	299,943,982.3	177,797.3
Lubuskie	1,501	378,060,681.2	251,872.5
Śląskie	1,450	279,803,037.9	192,967.6
Polska	75,144	15,348,526,297.2	204,254.8

Source: Management Information System of the Agency for Restructuring and Modernisation of Agriculture.

By 31st December 2020, 30,293 aid granting agreements were concluded throughout the country, of which 1,257 were contracts signed with beneficiaries from Pomorskie Province. These constitute 4.1% of the signed contracts (Table 8).

Table 8.*Number of contracts concluded and percentage of applications approved and concluded with contracts under Measure 4.1.3. Modernisation of Agricultural Farms*

Province	Number of contracts concluded	Percentage of applications resulting in contracts [%]	Amount of contracts concluded [PLN]	Average aid granted per 1 beneficiary
Mazowieckie	4,136	30.3	806,354,775.1	194,960.1
Wielkopolskie	3,394	29.8	773,523,155.8	227,909.0
Lubelskie	3,263	45.7	577,023,069.2	176,838.2
Podlaskie	3,069	45.6	677,762,217.9	220,841.4
Łódzkie	2,603	47.0	435,802,846.3	167,423.3
Kujawsko-pomorskie	2,457	40.1	454,896,616.5	185,143.1
Warmińsko-mazurskie	1,911	44.0	411,388,773.2	215,274.1
Świętokrzyskie	1,379	43.9	213,041,842.0	154,490.1
Dolnośląskie	1,328	49.1	243,153,082.4	183,097.2
Pomorskie	1,257	42.2	267,414,526.2	212,740.3
Zachodniopomorskie	1,243	49.1	264,677,603.2	212,934.5
Małopolskie	1,205	51.7	197,230,372.4	163,676.7
Opolskie	968	48.2	182,134,487.1	188,155.5
Podkarpackie	857	50.8	148,511,599.4	173,292.4
Śląskie	672	46.3	123,687,060.6	184,058.1
Lubuskie	551	36.7	129,154,996.2	234,401.1
Poland	30,293	40.3	5,905,757,023.5	194,954.5

Source: Management Information System of the Agency for Restructuring and Modernisation of Agriculture.

Farmers of Pomorskie Province obtained PLN 212,740.3 on average in co-financing. The provincial average is therefore higher than the average amount of aid obtained by farmers in the country. In Poland, only 40.3% of the submitted applications resulted in the signing of an aid agreement. Pomorskie Province was close to the national average, with the result of 42.2% of approved applications (Table 8).

As part of the submitted applications for payment, ARiMR paid a total of PLN 4,002,009,858.7, which went to 22,633 beneficiaries. The beneficiaries from Pomorskie Province received approximately 4.1% of this amount. In terms of the number of beneficiaries to whom aid was paid, Pomorskie Province ranks 12th among all provinces (Table 9).

Table 9.

Number and amount of payments effected under Measure 4.1.3

Province	Number of beneficiaries	Amount of payments effected [PLN]	Average per 1 beneficiary [PLN]
Mazowieckie	2,606	471,615,638.7	180,973.0
Lubelskie	2,503	407,884,388.0	162,958.2
Podlaskie	2,251	502,350,979.8	223,167.9
Wielkopolskie	2,177	441,640,509.9	202,866.6
Łódzkie	2,066	333,387,572.0	161,368.6
Kujawsko-pomorskie	1,846	307,528,820.1	166,592.0
Warmińsko-mazurskie	1,405	273,965,664.7	194,993.4
Świętokrzyskie	1,184	178,434,392.4	150,704.7
Dolnośląskie	1,144	181,335,880.6	158,510.4
Zachodniopomorskie	1,013	170,091,855.3	167,909.0
Małopolskie	984	153,363,004.4	155,856.7
Pomorskie	964	165,439,351.0	171,617.6
Podkarpackie	753	118,800,576.8	157,769.7
Opolskie	653	104,464,326.3	159,976.0
Śląskie	545	95,231,291.7	174,736.3
Lubuskie	543	96,475,607.3	177,671.5
Poland	22,633	4,002,009,858.7	176,821.9

Source: Management Information System of the Agency for Restructuring and Modernisation of Agriculture.

By the end of 2020, the Agency for Restructuring and Modernization of Agriculture conducted 6 calls for proposals under Measure 6.1 - Young Farmers Bonus. In total, 29,408 applications for aid were submitted for the total amount of PLN 3,550,350,000.00. In Pomorskie Province, 1,132 applications were submitted for the average amount of PLN 118,507.1 (Table 10).

As part of six calls for proposals, the Agency for Restructuring and Modernization of Agriculture issued 18,729 approvals. In Pomorskie Province, 726 farmers received the decision to grant aid. In total, PLN 2,182,100,000.0 was disbursed throughout the country. The province with the highest percentage of approved applications is Małopolskie Province. On the other hand, in Pomorskie Province, 64.1% of the submitted applications were approved (Table 11).

Table 10.
Number of applications for Young Farmers Bonus under Measure 6.1

Province	Number of applications submitted	Requested amount of aid [PLN]	Average requested amount per 1 beneficiary [PLN]
Mazowieckie	5,491	662,750,000.0	120,697.5
Wielkopolskie	3,827	458,550,000.0	119,819.7
Lubelskie	3,590	441,250,000.0	122,910.9
Podlaskie	2,623	308,900,000.0	117,765.9
Łódzkie	2,394	291,100,000.0	121,595.7
Kujawsko-pomorskie	2,227	271,400,000.0	121,868.0
Warmińsko-mazurskie	1,504	184,200,000.0	122,473.4
Świętokrzyskie	1,501	177,700,000.0	118,387.7
Małopolskie	1,209	143,900,000.0	119,024.0
Pomorskie	1,132	134,150,000.0	118,507.1
Dolnośląskie	851	104,750,000.0	123,090.5
Zachodniopomorskie	738	88,500,000.0	119,918.7
Opolskie	719	87,450,000.0	121,627.3
Podkarpackie	684	84,350,000.0	123,318.7
Śląskie	490	59,000,000.0	120,408.2
Lubuskie	428	52,400,000.0	122,429.9
Poland	29,408	3,550,350,000.0	120,727.4

Source: Management Information System of the Agency for Restructuring and Modernisation of Agriculture.

Table 11.
Number of application approvals and percentage share of approvals under Measure 6.1

Province	Number of application approvals	Percentage of approved applications [%]	Amount of approvals	Average aid granted per 1 beneficiary [PLN]
Mazowieckie	3,550	64.6	412,400,000.0	116,169.0
Wielkopolskie	2,408	62.9	280,250,000.0	116,382.9
Lubelskie	2,374	66.1	282,900,000.0	119,166.0
Podlaskie	1,828	69.6	206,600,000.0	113,019.7
Łódzkie	1,594	66.5	187,550,000.0	117,660.0
Kujawsko-pomorskie	1,432	64.3	168,050,000.0	117,353.4
Świętokrzyskie	998	66.4	113,400,000.0	113,627.3
Warmińsko-mazurskie	852	56.6	99,650,000.0	116,960.1
Małopolskie	846	69.8	97,800,000.0	115,602.8
Pomorskie	726	64.1	84,850,000.0	116,873.3
Dolnośląskie	492	57.8	57,700,000.0	117,276.4
Opolskie	432	60.0	50,600,000.0	117,129.6
Podkarpackie	366	53.5	43,100,000.0	117,759.6
Zachodniopomorskie	347	47.0	39,650,000.0	114,265.1
Śląskie	280	57.1	32,700,000.0	116,785.7
Lubuskie	204	47.6	24,900,000.0	122,058.8
Poland	18,729	63.6	2,182,100,000.0	116,509.2

Source: Management Information System of the Agency for Restructuring and Modernisation of Agriculture.

Smaller farms, due to lower investment opportunities, can count on a bonus for the restructuring of small farms. Since the implementation of the RDP for 2014-2020, the Agency for Restructuring and Modernization of Agriculture has conducted 4 calls for proposals, under which 54,868 applications were submitted, of which only 1.467 applications were submitted in

Pomorskie Province. Such a small percentage of applications probably results from the fact that farms in Pomorskie Province are on average larger than farms in the country.

Table 12.

Number of applications, approvals and the amount of payments made – Measure 6.3 Restructuring of small farms.

Province	Number of applications submitted	Number of application approvals	Amount of payments effected [PLN]
Dolnośląskie	698	331	15,876,000
Kujawsko-pomorskie	1,979	1,037	50,652,000
Lubelskie	14,656	8,021	391,392,000
Lubuskie	413	165	7,596,000
Łódzkie	5,118	2,763	133,188,000
Małopolskie	4,426	2,631	127,728,000
Mazowieckie	9,476	4,852	233,628,000
Opolskie	315	123	5,844,000
Podkarpackie	2,380	1,284	61,032,000
Podlaskie	2,256	1,291	62,052,000
Pomorskie	1,467	737	35,676,000
Śląskie	839	419	20,364,000
Świętokrzyskie	5,252	3,234	158,628,000
Warmińsko-mazurskie	1,483	858	41,496,000
Wielkopolskie	3,424	1,759	84,204,000
Zachodniopomorskie	686	300	14,436,000
Poland	54,868	29,805	1,443,792,000

Source: Management Information System of the Agency for Restructuring and Modernisation of Agriculture.

By the end of 2020, ARiMR issued 29,805 decisions on granting aid, 737 of which came from Pomerania. Based on the submitted payment applications, a total of PLN 1,443,792,000 was paid out (Table 12).

5. Summary

Supporting investments in farms is extremely important from the point of view of the economy. Modern technologies make it possible to use agricultural land more efficiently, while at the same time focusing more and more on environmental protection. Correct use of the opportunities offered by EU funds to modernise Polish agriculture should therefore be a priority.

The research made it possible to deepen the knowledge about the role played by European Union Funds in farms located in Pomorskie Province. First of all, it should be noted that the beneficiaries who submit the applications do not fully use the aid limit available to them. The analysis of the data obtained from the ARiMR showed that the farmers receive the full amount of the aid only in the activities in which the so-called bonus is involved. This is due to the fact that in the case of bonus measures, it is impossible to apply for a lower amount of aid

than that specified in the respective regulation. In other measures, depending on their age and experience in running the farm, the beneficiaries receive 50 or 60% of the subsidy calculated on the basis of eligible costs approved in the aid application, which are net costs. However, the average amount of aid, both requested and disbursed, exceeds PLN 100,000. Therefore, the assumption was confirmed that European Union Funds would be used by farmers whose investment value exceeds PLN 100,000 net. Moreover, this assumption is confirmed by the responses of the surveyed farmers, 71.7% of whom indicated that the net value of the investment for which they applied for aid under the European Union Funds exceeded PLN 100,000.

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