

Foreword

The publication is a next instalment in series of elaborations of information concerning investment outlays and value of fixed assets in national economy.

The purpose of the publication is to present data for 2004 about the results of the statistical surveys concerning value, indices and structure of:

- investment outlays (part I) and
- fixed assets (part II).

The subject of the surveys included in the publication takes into consideration current rules of economic policy resulting from the regulations about accountancy and fixed assets as well as needs resulting from the necessity of elaborating the national accounts in accordance with the principles of the “European System of Accounts ESA 1995”.

The publication covers also methodological and analytical notes. The methodological notes include definitions of basic categories, the principles of classification and grouping of data as well as sources of data regarding investment outlays and fixed assets. The analytical notes include the textual analysis of data presented in the publication as well as its comparison with data for 2003.

Starting from 2004 edition the publication has been available only on the web site of the Central Statistical Office of Poland.

The publication has been prepared at the National Accounts and Finance Division by the employees of the National Capital Section.

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FOREWORD

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GRAPHS

Structure of investment outlays by type (current prices)

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Structure of gross value of fixed assets by groups (current book-keeping prices)

Methodological notes

Information regarding investment outlays was compiled according to the principles of the system of national accounts, according to the recommendations of “European System of Accounts ESA 1995”.

Investment outlays are financial or tangible outlays, the purpose of which is the creation of new fixed assets or the improvement (rebuilding, enlargement, reconstruction or modernization) of existing capital asset items as well as outlays on so-called comprising the initial investments.

Investment outlays are divided into outlays on fixed assets and other outlays.

Outlays on fixed assets include outlays on:

- buildings and structures (include buildings and places as well as land and water engineering constructions) of which, among others, construction and assembly work, design and cost estimate documentation,
- machinery, technical equipment and tools (including instruments, moveable and fittings),
- transport equipment,
- others, i.e. , detailed melioration, costs incurred during purchasing land and second-hand fixed assets as well as, since 1995, livestock (basic herd), long-term plantings and moreover, interests on investment credits and investment loans for the period of investment realization (included exclusively in data expressed at current prices).

Other outlays are outlays on so-called comprising the initial investments as well as other costs connected with the investment realization. They do not increase the value of fixed assets.

Fixed assets include asset components and other objects completed and ready for usage with an expected period of utility exceeding one year, of which also public roads, streets and squares, together with shoulders and foundations (until 31 XII 1994 only the road surface), development of tracts of land, long-term plantings (until 31 XII 1994 those planted up to 31 XII 1989), melioration, water structures, land and – since 1 I 1995 – livestock (basic herd) as well as,

since 1 I 2002, co-operative ownership right to residential premise and co-operative right to non-residential (utilitarian) premise.

Data regarding fixed assets does not include value of land recognized since 1 I 1991 as fixed assets, in accordance with the decree of the Council of Ministers, dated 12 XII 1990 (Journal of Laws No. 90, item 529) as well as right of perpetual use of land regarded since 1 I 2002 as fixed assets according to the Act of Accounting dated 29 IX 1994 (uniform text Journal of Laws 2002, No. 76, item 694).

The gross value of fixed assets it is the value equal to outlays incurred on purchasing or manufacturing them, without deducting value of consumption (depreciation).

The gross value of fixed assets at current book-keeping prices as of 31 XII 2004 should be understood as:

- within the scope of fixed assets designated for exploitation before 1 I 1995 – the value at replacement prices of September 1994,
- within the scope of fixed assets designated for exploitation after 1 I 1995 – the value at current purchasing or manufacturing prices.

The gross value at replacement prices was established as a result of the **revaluation** of fixed assets in national economy made as of 1 I 1995 in accordance with the resolutions of decree of Ministry of Finance regarding depreciation of fixed assets and intangible fixed assets as well as actualization of valuation of fixed assets dated 20 I 1995 (Journal of Laws No. 7, item 34).

The net value of fixed assets corresponds to the gross value of fixed assets decreased by the value of consumption.

The value of consumption of fixed assets corresponds to the value of depreciation allowances done since the utilization of fixed assets.

The degree of consumption of fixed assets is understood as the percentage relation of the value of consumption to the gross value of fixed assets.

The gross value of fixed assets at constant prices was established keeping as a base the gross value at current book-keeping prices and indices of changes of investment goods' prices (i.e. , buildings and structures, machinery and technical equipment as well as transport equipment), established on the base of conducted by the Central Statistical Office survey on movement of prices of:

constructions as well as representatives of machinery, technical equipment and transport equipment.

Indices were calculated in comparative conditions. Single base indices were calculated using the chain-base index method.

As constant prices (comparable) in years 1990 – 2004 are established:

- 1990 constant prices (1990 average current prices) for years 1990 – 1992,
- current prices from the year before the surveyed one for years 1993 – 2004.

Grouping of investment outlays and fixed assets

Grouping of the investment outlays and of the value of fixed assets by **sections and divisions** was done on the base of the Polish Classification of Activities (PKD) compiled on the basis of the publication of Statistical Office of the European Communities – EUROSTAT: “Nomenclature des Activités de Communauté Européenne – NACE rev. 1.1”. PKD was introduced on 1 V 2004 by the decree of the Council of Ministers regarding the Polish Classification of Activities dated 20 I 2004 (Journal of Laws No. 33, item 289) to replace the formerly applied PKD that had been effective as from 1 I 1998.

The introduced PKD classification does not affect data that has so far been presented in the publication in accordance with classification applicable until IV 2004.

1. In tables – in relation to the Polish Classification of Activities (PKD) – there were used abbreviations signed "*". The abbreviations and their complete names are given below:

Abbreviation	Complete name
Sections of the NACE, rev. 1.1	
Trade and repair	Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods
X	Real estate, renting and business activities
X	Public administration and defence; compulsory social security

Abbreviation	Complete name
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Divisions of the NACE, rev. 1.1

Agriculture and hunting	Agriculture, hunting and related service activities
Forestry	Forestry, logging and related service activities
Manufacture of wearing apparel and furriery	Manufacture of wearing apparel; dressing and dyeing of fur
Processing of leather and manufacture of leather products	Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear
Manufacture of wood and wood, straw and wicker products	Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials
Manufacture of pulp and paper	Manufacture of pulp, paper and paper products
Manufacture of coke, refined petroleum products	Manufacture of coke, refined petroleum products and nuclear fuel
Manufacture of metal products	Manufacture of fabricated metal products, except machinery and equipment
X	Manufacture of machinery and equipment n. e. c.
X	Manufacture of electrical machinery and apparatus n. e. c.
X	Manufacture of furniture; manufacturing n. e. c.

Abbreviation	Complete name
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Divisions of the NACE, rev. 1.1

X	Sale, maintenance and repair of motor vehicles and motorcycles; retail sale of automotive fuel
Wholesale and commission trade	Wholesale trade and commission trade, except of motor vehicles and motorcycles
Retail trade; repair of personal and household goods	Retail trade, except of motor vehicles and motorcycles; repair of personal and household goods
Auxiliary transport activities; tourism organization	Supporting and auxiliary transport activities; activities of travel agencies

2. Investment outlays were included into the appropriate sections and divisions of the PKD in accordance with classification of the investor's (unit of the national economy) activity, excluding outlays on structures not connected with its basic activity, which were included into the appropriate sections and divisions according to the criteria of structure destination (concerning e. g.: residential buildings and places, buildings for education, health care, sport and recreational purposes).
3. Since 2002 due to amendment of Act of Accounting (uniform text Journal of Laws 2002 No. 76, item 694, with later amendments):
 - investment outlays on some objects of lease being fixed assets of units using them (lesee) have been included into investment outlays of those units,
 - some objects of lease have been included into fixed assets of units using them (lesee);
 until 2001 those outlays and fixed assets being objects of lease had been reported by units that had financed them (lessor), i.e. , were classified in the sections "Financial intermediation" and "Real estate, renting and business activities". Changes mentioned above have had impact on the level of amounts presented by ownership sectors, sections, divisions and voivodships.

4. Data regarding fixed assets by sections and divisions of the PKD was compiled using the enterprise method, i.e. , all fixed assets of a given entity of the national economy were included in that classification level, in which the entity was included on the basis of the superior kind of activity, e. g. , in enterprise classified in section “Manufacturing” all fixed assets being used in manufacturing and outside this activity (residential buildings and places, buildings for education, health care, etc.) are included in section “Manufacturing”. Exemption are residential buildings on private farms in agriculture which were classified in section “Real estate, renting and business activities”.
5. Division of investment outlays by **voivodships** was done in accordance with the localization of investments.
6. Division of fixed assets by **voivodships** was done by local kind-of-activity unit method.
7. The values of investment outlays and fixed assets **in organizational frame** were classified by ownership sectors in division on:
 - public sector – grouping state ownership (of the State Treasury and of the state legal persons), ownership of local self-government entities as well as “mixed ownership” with a predominance of capital (property) of public sector entities,
 - private sector – grouping private domestic ownership (of natural persons, and of other private entities), foreign ownership as well as “mixed ownership“ with a predominance of capital (property) of private sector entities.
8. Division of investment outlays and fixed assets on **kind groups** was done in accordance with Classification of Fixed Assets (KŚT) introduced on 1 I 2000 by decree of the Council of Ministers, dated 30 XII 1999 (Journal of Laws No. 112, item 1317, with later amendments). In the publication there was used grouping by four collective kind groups of fixed assets from the point of view of the functions they play in the manufacturing process or in course of the non-productive exploitation. They cover:
 - 1) buildings and structures:
 - a) buildings and places, since 1 I 2002 co-operative ownership right to residential premise and co-operative right to non-residential (utilitarian) premise,
 - b) land and water engineering constructions (excluding detailed melioration);
 - 2) machinery, technical equipment and tools:

- a) boilers and power industry machinery,
 - b) general usage machinery, equipment and apparatus,
 - c) special use machinery, equipment and apparatus,
 - d) technical equipment,
 - e) tools, apparatus, movable and endowments,
- 3) transport equipment,
 - 4) others i.e. , long-term plantings, detailed melioration and livestock (basic herd).
9. Data regarding value of investment outlays and gross value of fixed assets **in division on institutional sectors** – depending on the criterion of economical purposes as well as depending on the function regarded as primary for acts of entities of the national economy – is presented in division on:
- 1) **non-financial corporations sector**, which includes economic entities manufacturing market products (goods and non-financial services) as well as keeping accounting books; this sector comprises:
 - a) legal persons (regardless of the number of employees) among others, state owned enterprises, joint stock and limited liability companies, co-operatives, foreign small-scale enterprises,
 - b) organizational entities without legal personality (regardless of the number of employees) among others, state entities, unlimited partnership and limited partnership companies as well as civil law partnerships,
 - c) natural persons conducting economic activity employing more than 9 persons, excluding private farms in agriculture;
 - 2) **financial corporations sector**, which includes economic entities engaged in financial intermediation (National Bank of Poland, state banks, joint stock company banks, co-operative banks, financial leasing enterprises and co-operative saving and credit unions), auxiliary financial activity (the stock exchange, brokerages, currency exchange offices, companies of the investment and trust funds and general pension societies) as well as entities engaged in insurance activity (insurance companies including pension funds, except compulsory social security);
 - 3) **general government sector**, which includes entities of the national economy operating according to principles described in act “Public Finance” (budgetary entities, budgetary establishments and auxiliary units of budgetary entities including ones conducting economic activity, special funds of budgetary entities and appropriated funds) as well as entities for which the financial system was defined in special regulations, and the main source of financing of which are subsidies from the state budget (state higher education institutions, independent public health care units and state agencies);

- 4) **households sector**, which includes own-account workers in private farms in agriculture as well as natural persons working on own account outside private farms in agriculture, employing up to 9 persons and keeping simplified accounting books, as well as natural persons obtaining income from hired work and non-earned sources;
- 5) **non-profit institutions sector**, which includes social organizations, political parties, trade unions, associations, foundations and units of religious organizations.

10. Data was elaborated according to **organizational state of national economy in a given period.**

Data sources

In 2004 the value of investment outlays and the gross value of fixed assets of legal persons and organizational entities without legal personality employing more than 9 persons (until 1998 – regardless of the number of employees) as well as natural persons conducting economic activity (excluding private farms in agriculture) and civil law partnerships employing more than 9 persons (until 1998 – more than 5 persons) – was compiled on the basis of statistical reports:

- SP - annual questionnaire of enterprise for 2004,
- F-03 - annual report on state and movement of fixed assets and investment activity for 2004,
- SG-01 - municipal annual statistic for 2004 – part 4: “Fixed assets”.

Estimated were:

- the value of investment outlays incurred by: legal persons and organizational entities without legal personality with number of employees up to 9 persons, natural persons conducting economic activity and civil law partnerships with number of employees not exceeding 9 persons (until 1998 – up to 5 persons) and private farms in agriculture, and also value of outlays on private construction: residential, sacral and recreational not adapted for permanent residence. The cubic volume of completed buildings is the base of the estimate regarding the value of investment outlays in private construction. Annual outlays include the total value of buildings completed in a given year, i.e. , do not include the difference between not-completed construction at the end and at the beginning of a given year;
- the value of fixed assets of legal persons and organizational entities without legal personality with number of employees up to 9 persons, natural persons conducting economic activity and civil law partnerships, with number of

employees up to 9 persons (until 1998 – 5 persons), private farms in agriculture, residential buildings recognized as individual private property, as well as the value of public roads, streets and squares, basic and detailed melioration and water structures,

- the value of fixed assets and investment outlays of foundations, associations and social organizations, political parties, economical and labour self-governments as well as employers' organizations.

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First part of the publication includes information about the value of investment outlays in national economy, while second part includes information about the value of fixed assets in national economy.

Analytical notes

Investments

In 2004 the value of investment outlays in national economy was 120 467 mln zl, of which the value of outlays on:

- buildings and structures – 63 673 mln zl (52,9%);
- machinery, technical equipment and tools – 42 513 mln zl (35,3%);
- transport equipment – 13 418 mln zl (11,1%).

Increase of investment outlays observed in 2004 in comparison with 2003 was equal (at constant prices) 6,5%. Outlays on buildings and structures increased about 4,8%, on machinery, technical equipment and tools about 6,4% and on transport equipment about 17,3%. Increase of indices of investment outlays was observed in twelve and decrease in three sections.

The value of investment outlays and their indices are presented in table 1.

Table 1. Investment outlays in selected sections with the highest and the lowest indices in 2004.

Specification	in mln zl (current prices)	previous year = 100 (constant prices)
Total	120 467	106,5
of which:		
Financial intermediation	3 533	118,2
Public administration and defence; compulsory social security	4 005	113,8
Manufacturing	30 227	113,5
Agriculture	2 627	112,7
of which forestry	472	223,3
Other community, social and personal service activities	6 020	111,5
Real estate, renting and business activities	22 880	99,6
Electricity, gas and water supply	9 194	98,9
Hotels and restaurants	1 036	91,4

Index of investment outlays of units conducting activity in industry in 2004 was equal 109,5% and was higher than in previous year about 3,2%.

However, increase of investment outlays was observed in two from three sections that compose industry. That were: mining and quarrying as well as manufacturing. The increase was equal correspondingly 4,3% and 13,5%. In electricity, gas and water supply decrease of investment outlays equal 1,1% was observed.

With general 13,5% increase of investment outlays in manufacturing in comparison with 2003 decrease of outlays was observed in the following divisions: manufacture of medical, precision and optical instruments, watches and clocks (23,9%), manufacture of radio, television and communication equipment and apparatus (19,8%), publishing, printing and reproduction of recorded media (16,5%), manufacture of tobacco products (16,2%), manufacture of motor vehicles, trailers and semi-trailers (14,6%), processing of leather and manufacture of leather products (11,3%), manufacture of pulp and paper (3,8%). The highest increase of investment outlays was observed in the following divisions of manufacturing: manufacture of wood and wood, straw and wicker products (50,7%), manufacture of machinery and equipment n.e.c. (48,4%), manufacture of other non-metallic mineral products (41,1%), manufacture of basic metals (40,8%), manufacturing of furniture; manufacturing n.e.c. (36,8%).

In 2004 in comparison with previous year share of units of the private sector in total value of outlays decreased slightly from 68,3% in previous year to 68,1%; in public sector it was correspondingly: 31,7% and 31,9%. From outlays carried by units of the private sector – 34,9% those were outlays on manufacturing (32,4% in previous year), 25,6% on real estate, renting and business activities (27,7%), 14,2% on trade and repair (13,6%). Outlays carried in those sections were equal to 74,7% of the total amount of outlays in private sector.

In 2004 the highest share of private sector was observed in trade and repair – 97,6%, manufacturing – 94,8%, real estate, renting and business activities – 91,7%.

In 2004 initiated were 114 180 investments i.e. , about 24,8% more than in 2003. Total estimated value of the started investment was 47 860,4 mln zl and it was about 25,0% higher than in previous year.

Fixed assets

The value of fixed assets in national economy as of the 31 XII 2004 at current book-keeping prices was 1 747 889 mln zl of which:
– value of buildings and structures – 1 159 335 mln zl (66,3%);

- value of machinery, technical equipment and tools – 466 021 mln zł (26,7%);
- value of transport equipment – 106 288 mln zł (6,1%).

From total value of the capital stock in national economy 737 938 mln zł is for fixed assets of the public sector what is equal to 42,2% (43,4% in previous year) while 1 009 951 is for fixed assets of the private sector, i.e., 57,8% (56,6%).

Structure of the gross value of fixed assets in details is presented in table 2.

Table 2. Structure of the gross value of fixed assets in 2004.

Specification	Total	of which		
		buildings and structures	machinery, technical equipment and tools	transport equipment
in percent				
By kind groups of fixed assets				
National economy	100,0	66,3	26,7	6,1
of which:				
Public sector	100,0	75,1	21,1	3,6
Private sector	100,0	59,9	30,7	7,9
By ownership sectors				
National economy	100,0	100,0	100,0	100,0
of which:				
Public sector	42,2	47,8	33,4	24,9
Private sector	57,8	52,2	66,6	75,1

In comparison with previous year the gross value of fixed assets in national economy (at constant prices) increased about 2,2% of which:

- value of buildings and structures – 1,7%;
- value of machinery, technical equipment and tools – 3,9%;
- value of transport equipment – 3,6%.

The highest indices of gross value of fixed assets were noticed in: construction – 107,3%, trade and repair – 106,5%, other community, social and personal service activities – 106,3%, health and social work – 104,1%. Lower than in previous year was the gross value of fixed assets in two kinds of activity. Those were agriculture, hunting and forestry where the value of fixed assets

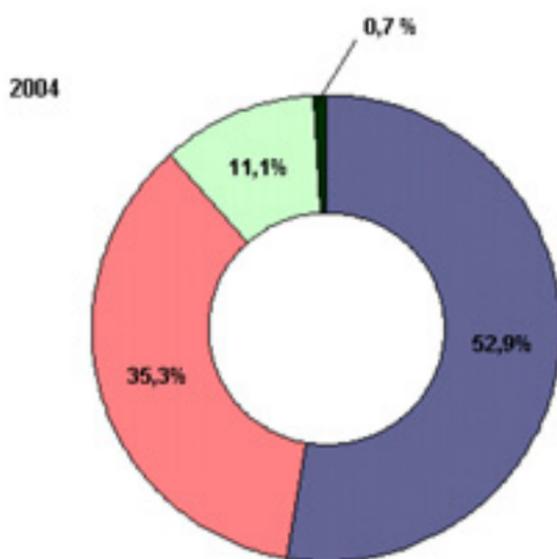
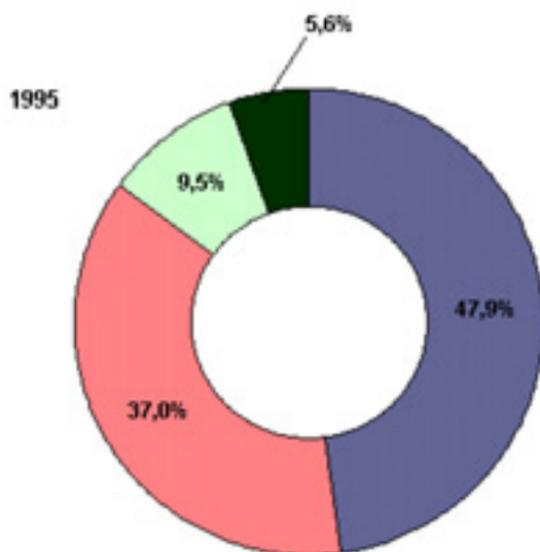
decreased about 0,5% (1,2% in previous year) and mining and quarrying – decrease equal 0,3% (2,0% increase in previous year).

It is evaluated that fixed assets in national economy at the end of 2004 were depreciated in 45,9% of which:

- buildings and structures – 38,7%;
- machinery, technical equipment and tools – 60,9%;
- transport equipment – 52,7%.

The highest degree of consumption is recorded in units included in sections: agriculture, hunting and forestry – 69,4%, electricity, gas and water supply – 53,4%, mining and quarrying – 53,1%, transport, storage and communication – 51,8% and in fishing – 51,7%. On the contrary the lowest consumption was noticed in: hotels and restaurants – 29,0%, other community, social and personal service activities – 32,8%, trade and repair – 34,3%, construction – 35,5%, real estate, renting and business activities – 36,8% as well as education – 39,5%.

STRUKTURA NAKŁADÓW INWESTYCYJNYCH WEDŁUG RODZAJÓW (ceny bieżące)
STRUCTURE OF INVESTMENT OUTLAYS BY TYPE (current price)

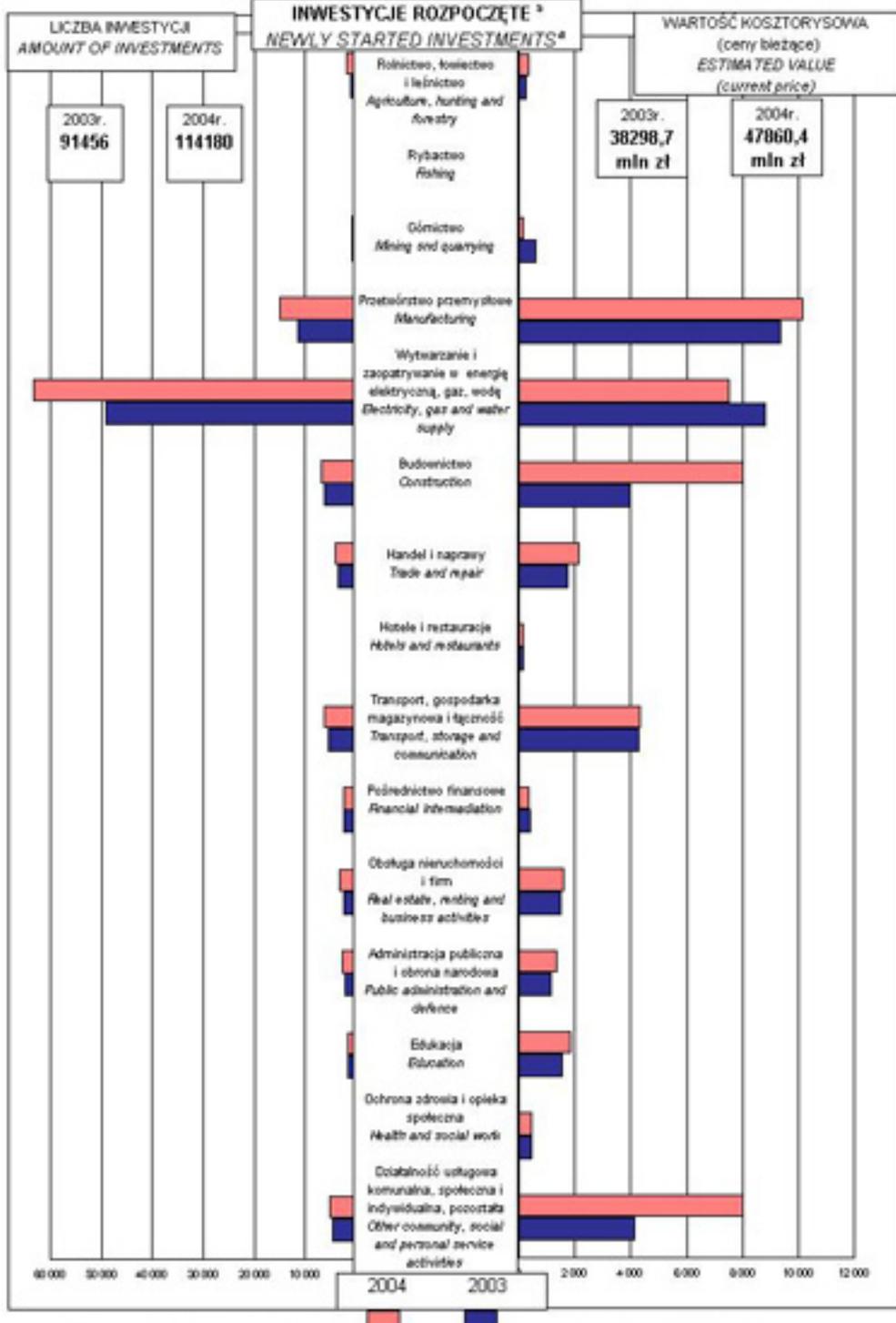


 **budynki i budowle**
buildings and structures

 **maszyny, urządzenia techniczne i narzędzia**
machinery, technical equipment and tools

 **środki transportu**
transport equipment

 **pozostałe**
others

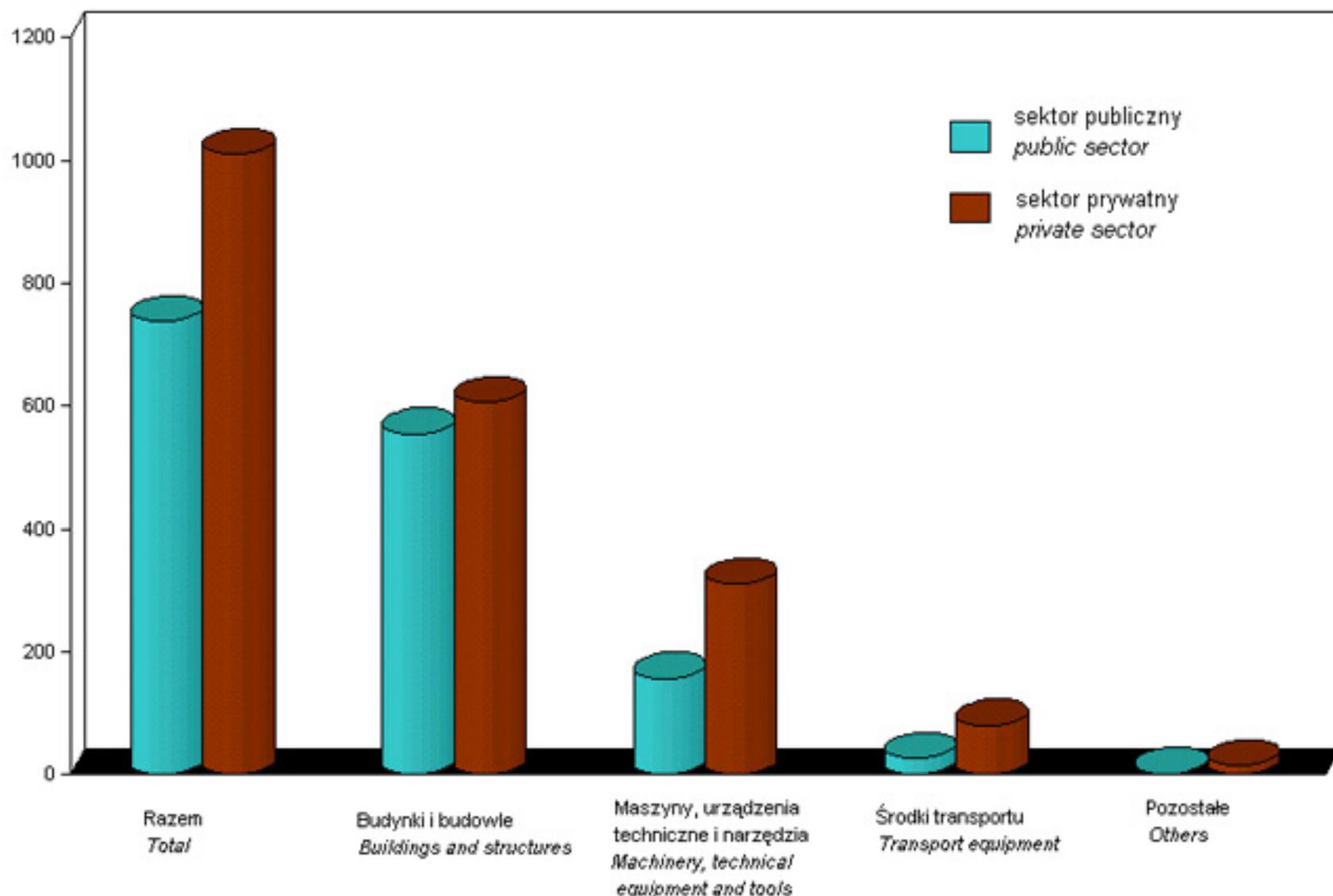


^a Dane dotyczą podmiotów gospodarczych, w których liczba pracujących przekracza 49 osób oraz niezależnie od liczby pracujących - jednostek budżetowych i samorządu terytorialnego

^a Data concerns economic entities with number of employees exceeding 49 persons and regardless of the number of employees - budgetary units and units of the local self-government

WARTOŚĆ BRUTTO ŚRODKÓW TRWAŁYCH WEDŁUG SEKTORÓW W 2004 R. (bieżące ceny ewidencyjne). Stan w dniu 31 XII
GROSS VALUE OF FIXED ASSETS BY SECTORS IN 2004 (current book-keeping prices) As of 31 XII

w mld zł



STOPIEŃ ZUŻYCIA ŚRODKÓW TRWAŁYCH WEDŁUG GRUP IN 2004

Stan w dniu 31 XII

DEGREE OF CONSUMPTION OF FIXED ASSETS IN 2004

As of 31 XII



0% 10% 20% 30% 40% 50% 60% 70% 80% 90%

Przemysł

Industry

Górnictwo

Mining and quarrying

Przetwórstwo przemysłowe

Manufacturing

**Wytwarzanie i zaopatrzenie
w energię elektryczną, gaz,
wodę**

Electricity, gas and water supply

Budownictwo

Construction

**Transport, gospodarka
magazynowa i łączność**

*Transport, storage and
communication*



budynki i budowle

buildings and structures



środki transportowe

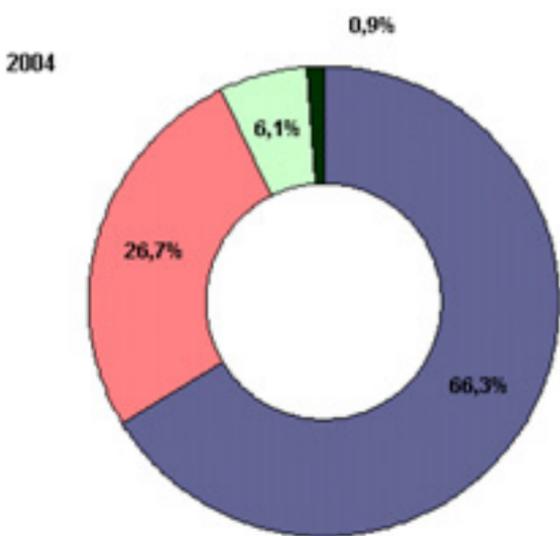
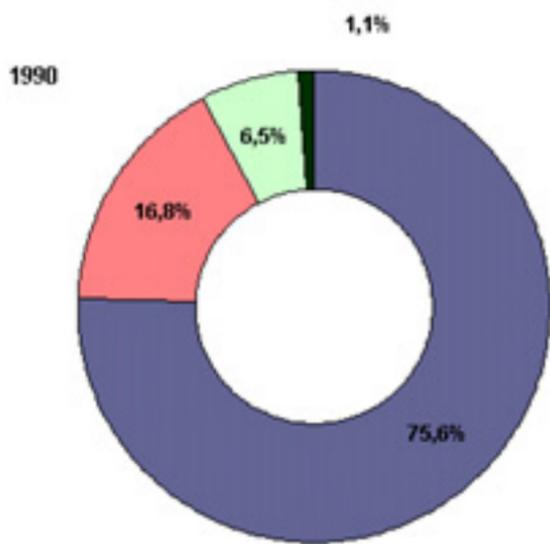
transport equipment



maszyny, urządzenia techniczne i narzędzia

machinery, technical equipment and tools

STRUKTURA WARTOŚCI BRUTTO ŚRODKÓW TRWAŁYCH WEDŁUG GRUP
(bieżące ceny ewidencyjne) Stan w dniu 31 XII
STRUCTURE OF GROSS VALUE OF FIXED ASSETS BY GROUPS
(current book-keeping prices) As of 31 XII



- | | |
|---|--|
|  budynki i budowle
<i>buildings and structures</i> |  środki transportu
<i>transport equipment</i> |
|  maszyny, urządzenia techniczne i narzędzia
<i>machinery, technical equipment and tools</i> |  pozostałe
<i>others</i> |