



# **MINISTRY OF NATIONAL DEFENCE** **BUDGETARY DEPARTMENT**



## ***BASIC INFORMATION ON THE MoND BUDGET FOR 2015***

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*Warsaw, January 2015*



# Introduction



- This publication provides the basic information on national budget, Polish defence expenditures and MoND budget.
- To fulfill defence tasks and missions, Poland has allocated (according to the Budgetary Act) 38.4 billion zlotys (BPLN) to defence expenditures. The 2015 defence expenditures ceiling has been established according to the act dated 25 May 2001 on restructuring, technical modernization and financing of the Polish Armed Forces (not less than 1.95% of the Gross Domestic Product of the previous year).
- Within the mentioned amount – 38,1 BPLN has been allocated to Part 29 – National Defence, and 297,4 th MPLN to the other parts of the state budget.
- Defence spending in 2015 reflects the positive trend of the Polish Armed Forces budget growth.
- The defence budget structure has also been improved by increase of capital investment expenses. Their share in the defence budget is going to achieve 36,2%.



# Basic Macroeconomic Indicators 2015



## National budget 2015

**EXPENDITURES**

343,3 BPLN

**DEFICIT**

46,1 BPLN

**REVENUES**

297,2 BPLN

**Gross Domestic Product 2014  
(forecast) – 1.693,6 BPLN**

**Defence budget 2015 –  
2,27% GDP 2014**

**Annual consumer price index –  
101,2 %**

**No increase of salaries in the public  
civil sector**

**Pensions Valorization Index –  
101,08%**

### Exchange rates:

• 1 USD = 2,92 PLN

• 1 EURO = 3,98 PLN



# Total defence expenditures in 2015



**1,95 % Gross Domestic Product  
of the previous year**

**GDP 2014**

**1.693,6  
BPLN**

**x**

**1,95%**

**=**

**33,0 BPLN**

**+ 5,4 BPLN**

MULTIROLE AIRCRAFT F-16 PROGRAM

**total**

**38,4 BPLN**



# Total defence expenditures in 2015



**38.387,8  
MPLN**

including

Part 29 National defence

**38.090,5  
MPLN**

+

Other parts of the state  
budget

**297,4  
MPLN**

Part 20 Economy  
**87,5 MPLN**

Part 28 Science  
**174,8 MPLN**

Others  
**35,1 MPLN**

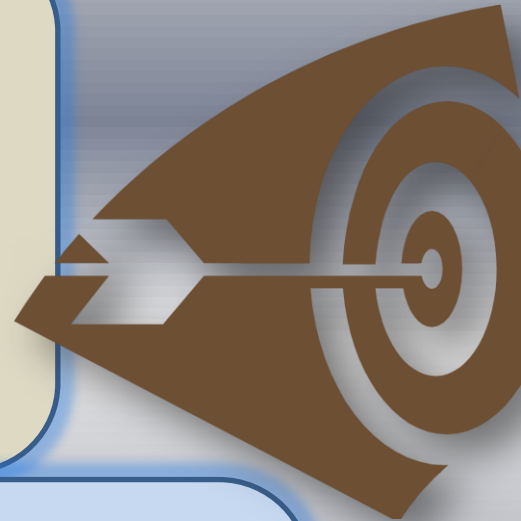


# Activity objectives in 2015



## Top priority

1. To increase operational capability of the Polish Armed Forces;
2. Modernization of the military equipment and weapons;
3. To ensure favorable conditions for the development of military operational capabilities of Polish Armed Forces through international cooperation;



## Others

1. To improve cyber defense and national cryptology solutions;
2. To improve effectiveness and efficiency of the Ministry of National Defence;
3. Improvement of command and control structure of the Polish Armed Forces;
4. To increase level of computerization of the Ministry of Defence.



# Structure of MoND budget in 2015 – including Multiannual Programmes



## MULTIANNUAL PROGRAMMES:

1. PRIORITY TASKS OF  
TECHNICAL MODERNIZATION IN  
OPERATIONAL PROGRAMMES

4.139,1 MPLN

2. MULTIROLE AIRCRAFT F-16  
PROGRAMME

5.363,3 MPLN

O&M  
Central  
Support  
2.362,4  
MPLN

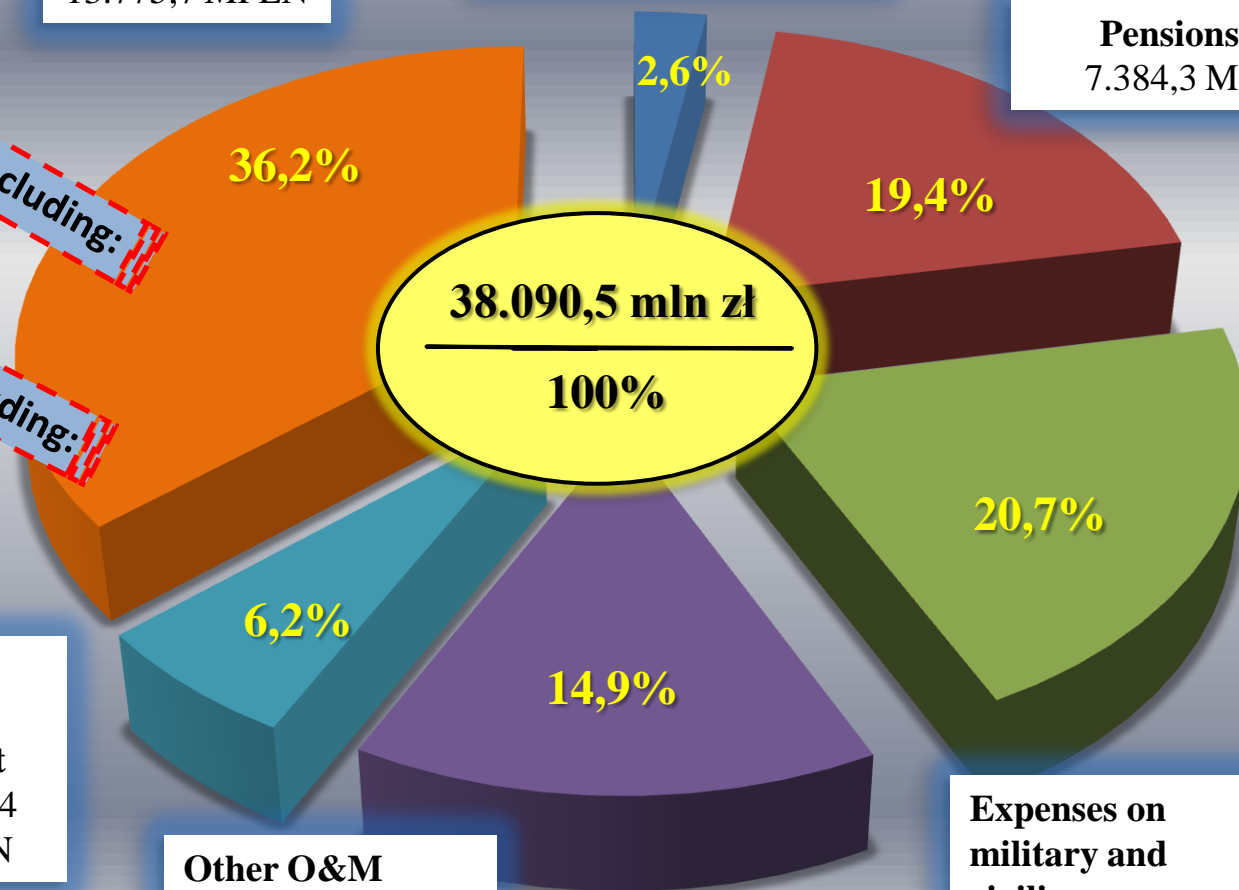
Capital  
Investment  
13.775,7 MPLN

Subsidies  
986,8 MPLN

Pensions  
7.384,3 MPLN

Other O&M  
expenditures  
5.681,2 MPLN

Expenses on  
military and  
civilian personnel  
7.900,1 MPLN





# Defence expenditures



| Defence expenditures                                     | MPLN                    |                         |
|----------------------------------------------------------|-------------------------|-------------------------|
|                                                          | 2014<br>(Budgetary Act) | 2015<br>(Budgetary Act) |
| Part 29 „National Defence”                               | 28.260,9                | 38.090,5                |
| Other parts                                              | 292,1                   | 297,3                   |
| Part 83 Earmarked reserve<br>(for multiannual Programme) | 3.483,5                 | -                       |
| <b>TOTAL:</b>                                            | <b>32.036,4</b>         | <b>38.387,8</b>         |

Including:

Section 700 – Housing – 586,1 MPLN

750 – Public administration – 261,9 MPLN

752 – National defence – 29.925,4 MPLN

753 – Social security schemes – 6.751,9 MPLN

755 – Administration of Justice – 56,8 MPLN

803 – Academic education – 250,2 MPLN

851 – Health care – 179,1 MPLN

921 – Culture – 79,1 MPLN





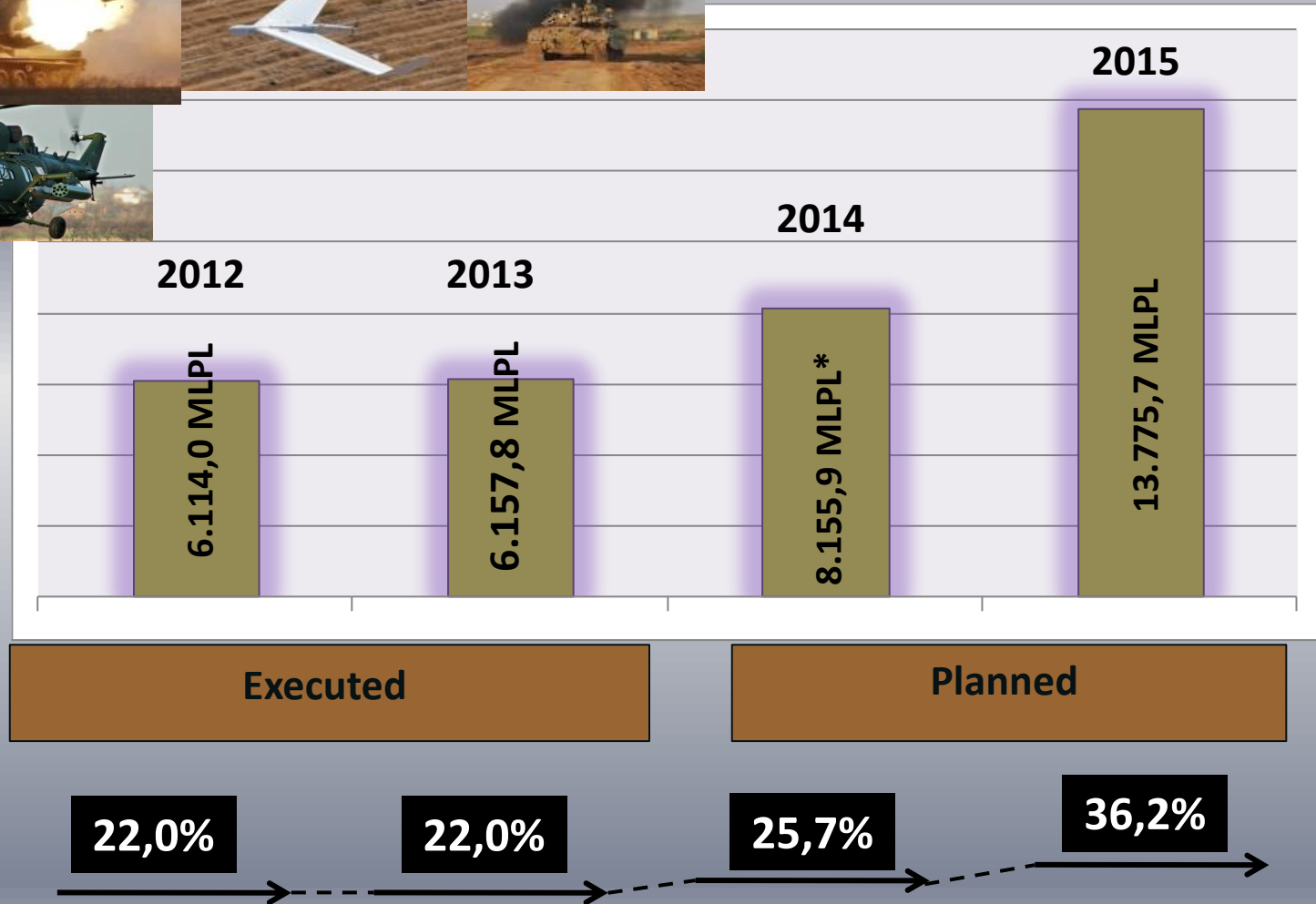
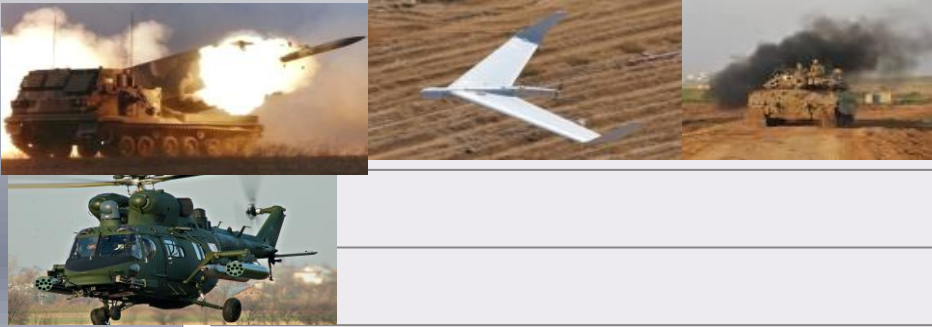
# Structure of section 752 „National defence”



| Chapter       | Detailed list                              | Expenditures<br>(the Budgetary Act)<br>(in thousand PLN) | Share         | Share<br>in total<br>budget |
|---------------|--------------------------------------------|----------------------------------------------------------|---------------|-----------------------------|
| 75201         | Army                                       | 2 729 988                                                | 9,12          | 7,17                        |
| 75202         | Air Forces                                 | 1 223 317                                                | 4,09          | 3,21                        |
| 75203         | Navy                                       | 499 851                                                  | 1,67          | 1,31                        |
| 75204         | Central support                            | 10 313 271                                               | 34,46         | 27,08                       |
| 75207         | Military Police                            | 192 364                                                  | 0,64          | 0,51                        |
| 75208         | Roman Catholic Chaplaincy                  | 14 828                                                   | 0,05          | 0,04                        |
| 75209         | Orthodox Chaplaincy                        | 2 415                                                    | 0,01          | 0,01                        |
| 75210         | Evangelic Chaplaincy                       | 1 267                                                    | 0,00          | 0,00                        |
| 75213         | Command and control of Armed Forces        | 633 305                                                  | 2,12          | 1,66                        |
| 75215         | Mobilization tasks of civilian enterprises | 33 500                                                   | 0,11          | 0,09                        |
| 75216         | Crisis Response Operations                 | 72 877                                                   | 0,24          | 0,19                        |
| 75217         | Military Intelligence Service              | 250 983                                                  | 0,84          | 0,66                        |
| 75218         | Military Counter-Intelligence Service      | 200 722                                                  | 0,67          | 0,53                        |
| 75219         | Special Forces                             | 230 424                                                  | 0,77          | 0,60                        |
| 75220         | Army support                               | 7 058 532                                                | 23,59         | 18,53                       |
| 75280         | Research and development activities        | 95 121                                                   | 0,32          | 0,25                        |
| 75295         | Other activities                           | 6 372 648                                                | 21,30         | 16,73                       |
| <b>TOTAL:</b> |                                            | <b>29 925 413</b>                                        | <b>100,00</b> | <b>78,56</b>                |



# Capital investment expenses in defence budget



\* with 3.483,5 MLPL for multiannual program - Priority tasks of technical modernization in operational programs



# Additional financial resources in 2015



## Armed Forces Modernization Fund

**Planned revenues –**  
58,6 MPLN

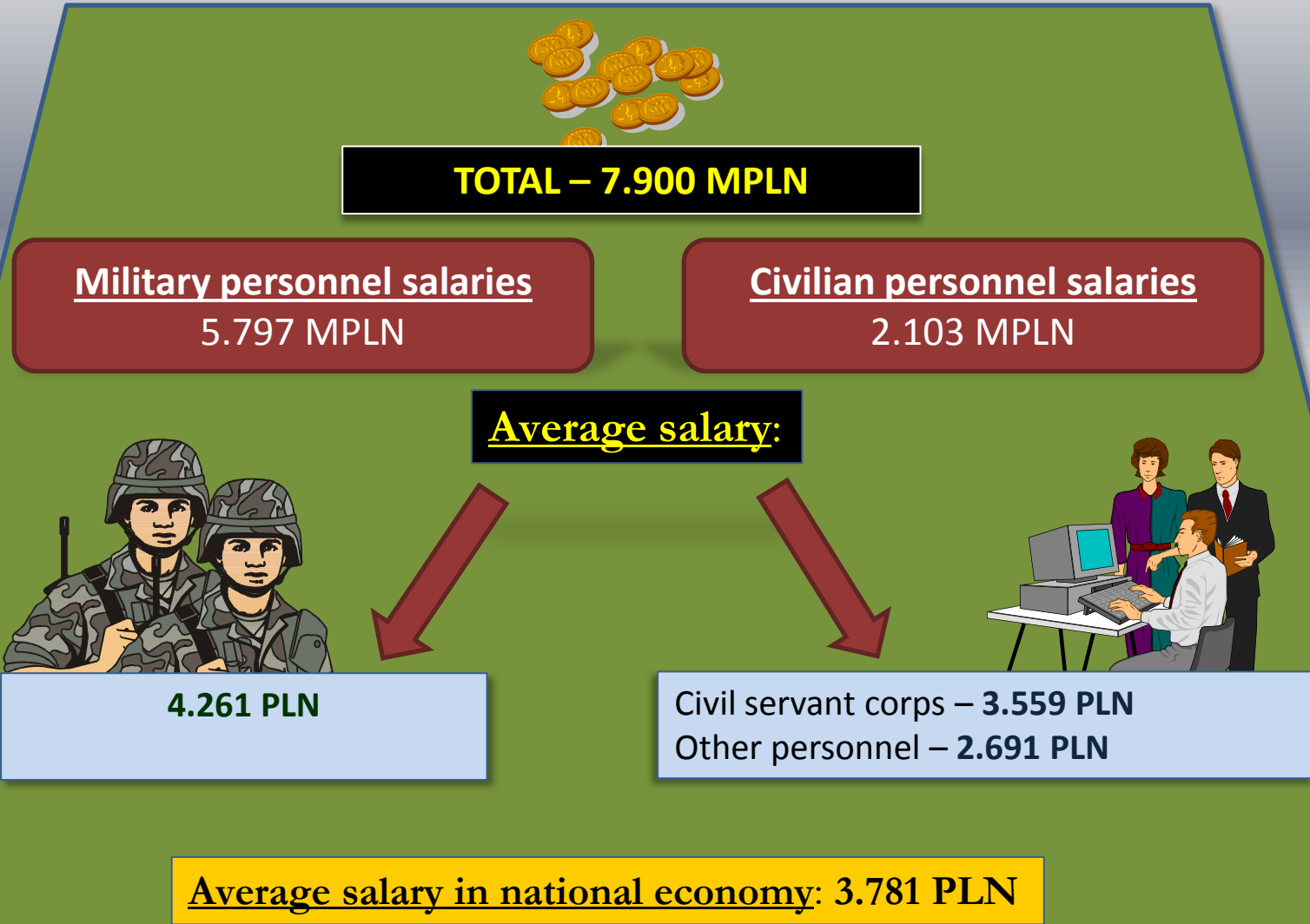
**Planned expenditures –**  
149,6 MPLN

**Appropriation:**

Equipment and weapons for  
Special Forces



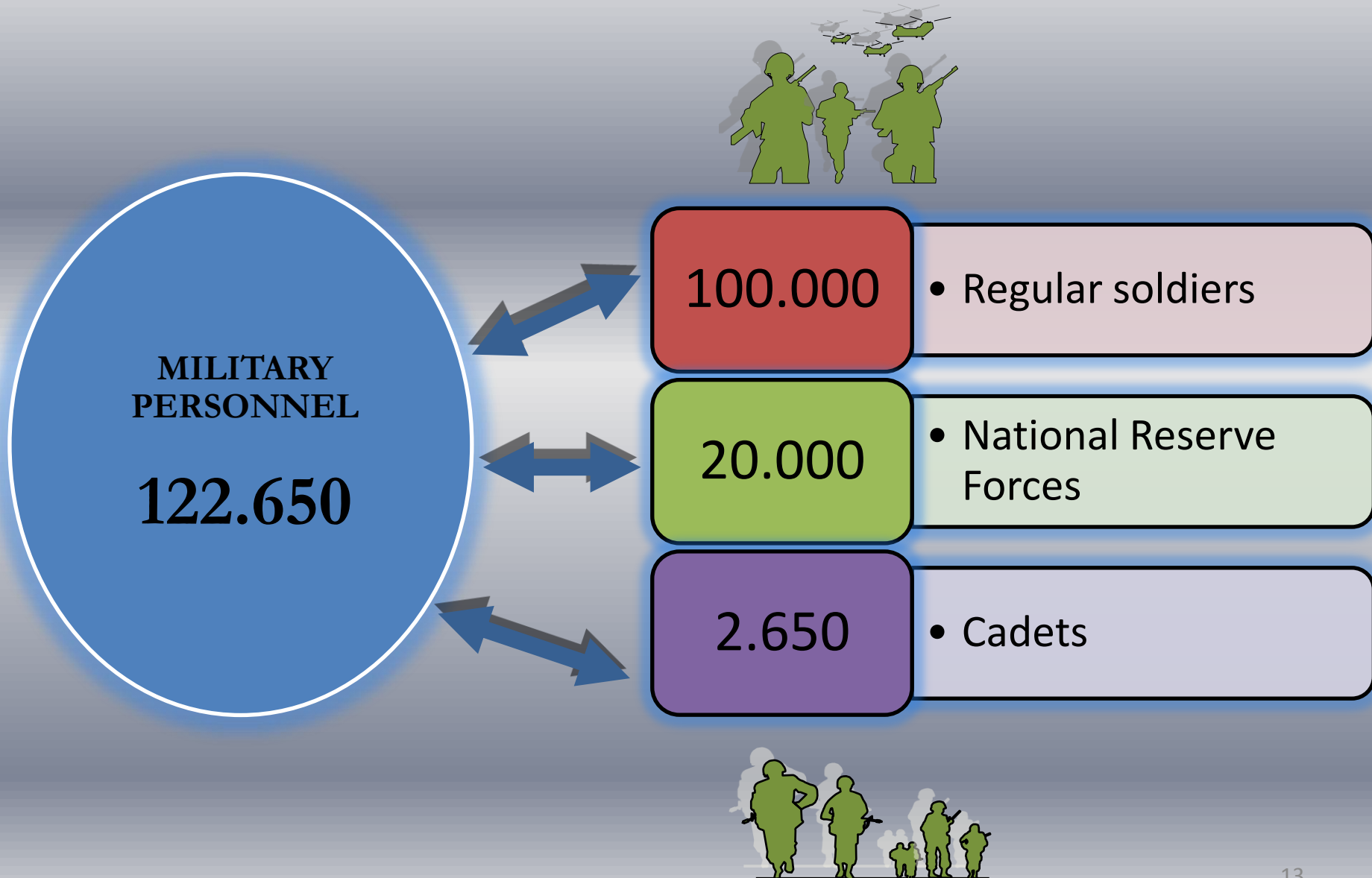
# Personnel





# Military Personnel

## (Part 29 National defence)





# Regular soldiers

**OTHERS**

**29.761**

**NAVY**

**7.021**

**TOTAL:**

**100.000**

**AIR FORCES**

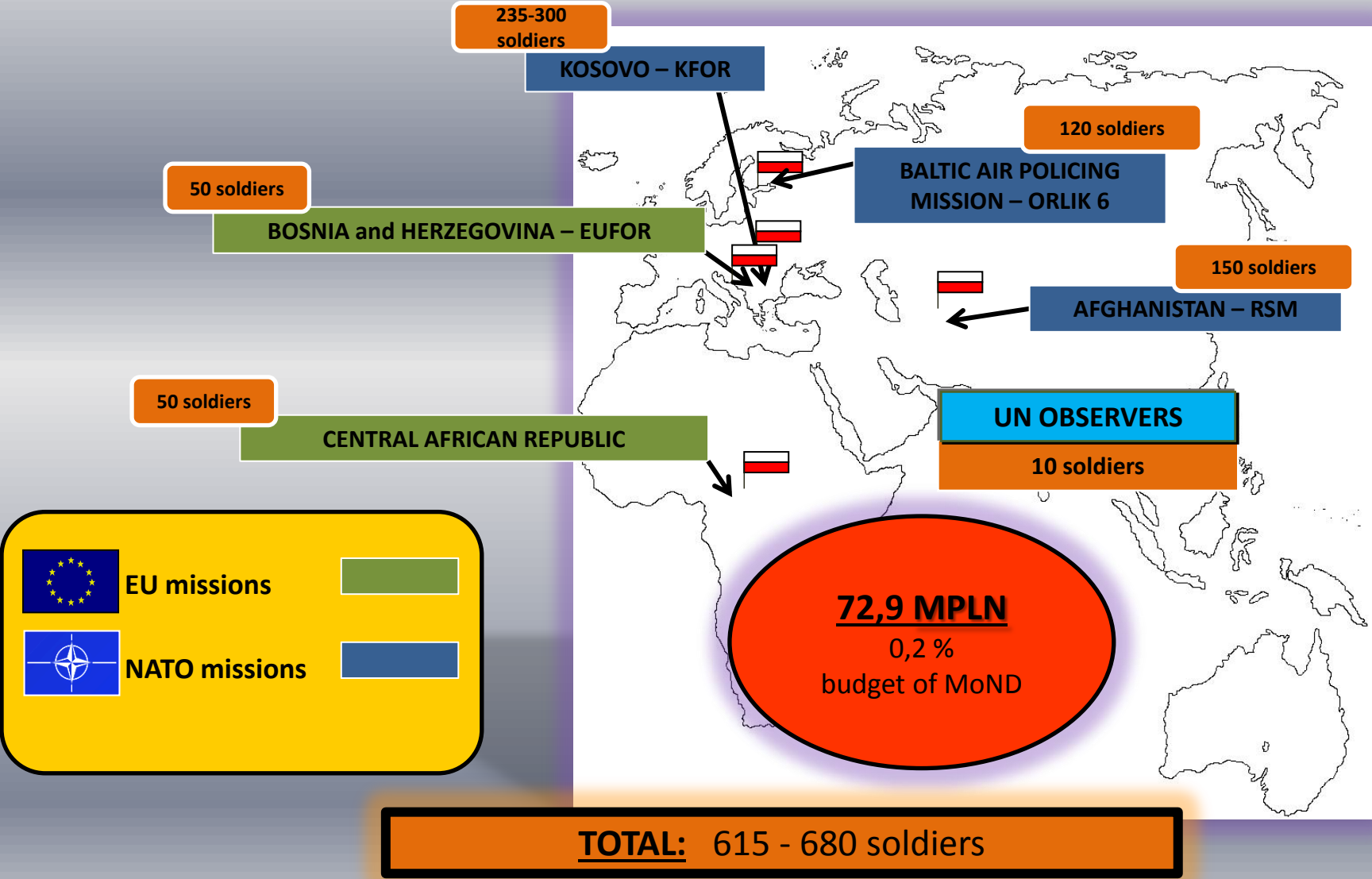
**16.025**

**ARMY**

**47.193**

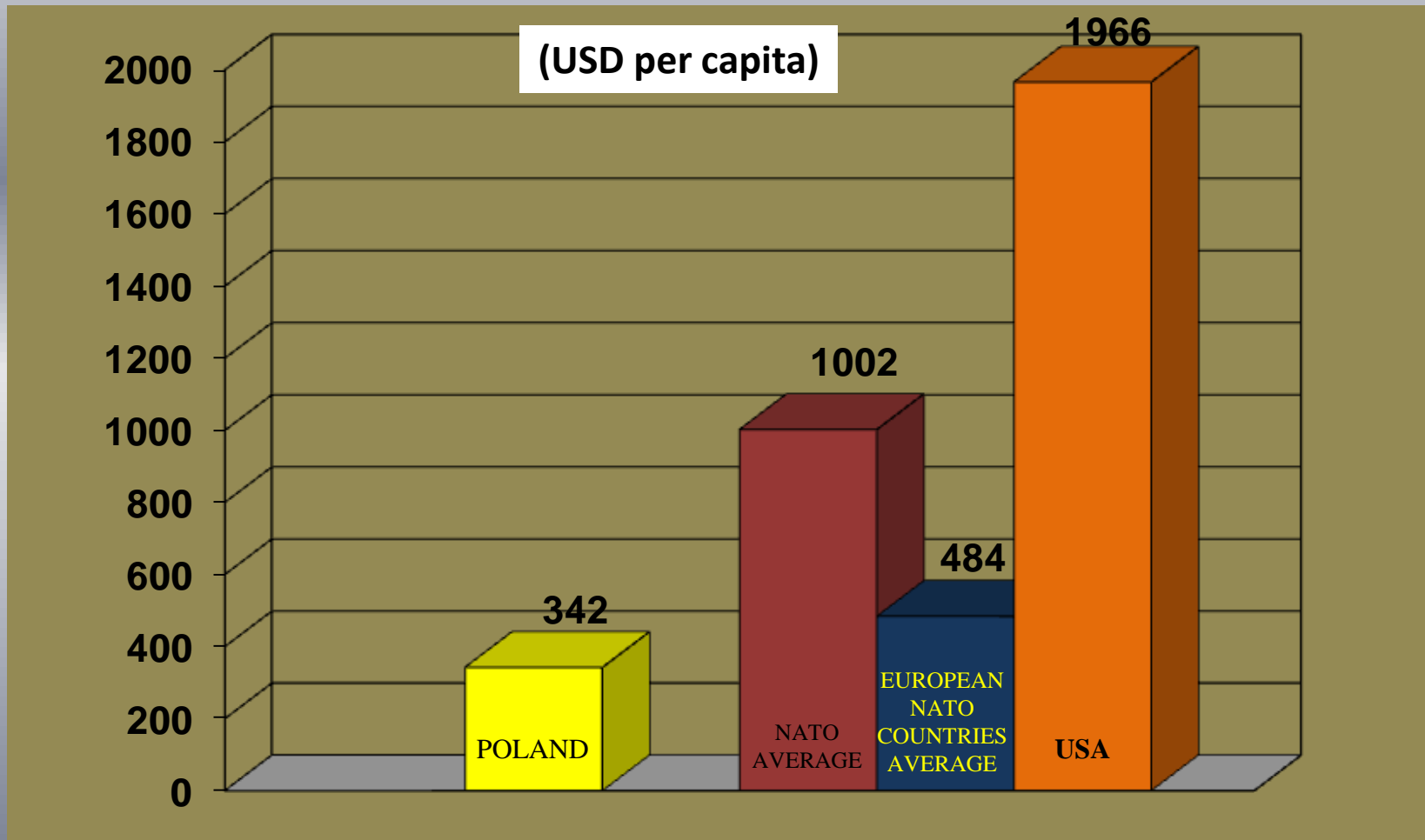


# The Polish Armed Forces operations abroad





# Comparison of Defence Expenditures



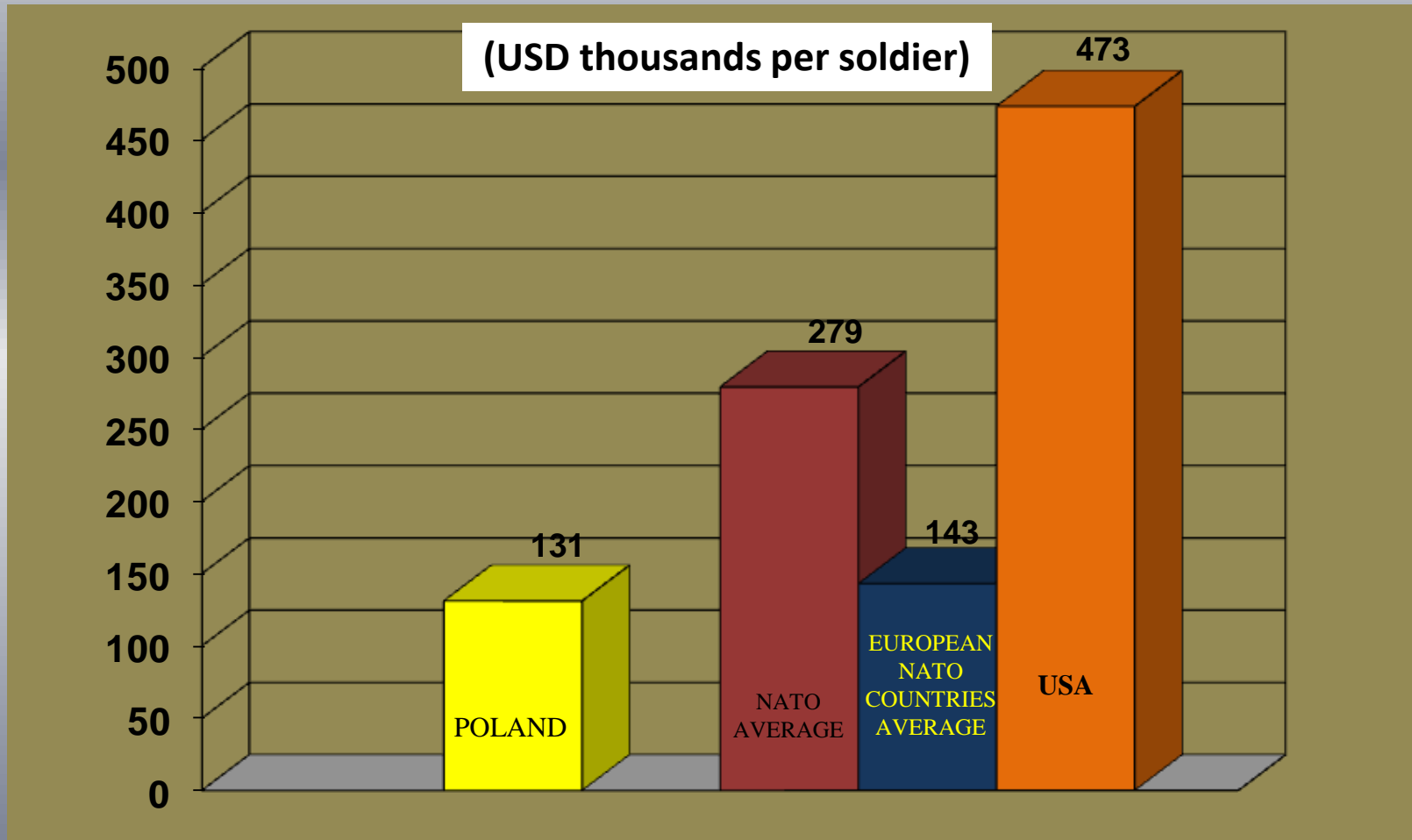
Source: NATO's statistical tables – edition 2014.

\* - data for Poland in 2015 - Budgetary Department estimates





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