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Structure and Sources of Revenue in Provincial Budgets in Poland, with Particular Emphasis on EU Funds and National Support Mechanisms

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Abstract:

Purpose: *The purpose of this article is to analyse the revenues of provincial budgets in Poland in 2022–2024, with particular emphasis on funds from the state budget, European Union funds and the National Recovery Plan. The study focuses on assessing the spatial variation in the absorption of funds and identifying the main trends in the use of external financing.*
Design/Methodology/Approach: *The study uses statistical data from the Local Data Bank of the Central Statistical Office and official reports of the Ministry of Finance and the Polish Development Fund. The analysis was carried out using quantitative and comparative methods, enabling the identification of dynamics of changes and the determination of the share of individual provinces in the national distribution of funds.*
Findings: *The results indicate a significant decrease in the value of payments on a national scale in the analysed period (by over 20% in 2022–2024), and at the same time a growing spatial diversity in the absorption of funds. The largest beneficiary was Greater Poland, whose share in 2024 amounted to over 16% of the total funds. Declines were observed in particular in the provinces of Eastern Poland, such as Lubelskie, Podlaskie and Świętokrzyskie. The results confirm that the absorption of funds depends on the institutional and economic potential of the regions and the timetables for the implementation of EU programmes and the National Recovery Plan.*
Practical implications: *The findings of the study can be used to shape the state's redistribution policy and EU fund programming. They show the need to strengthen the absorption capacity of weaker regions and introduce mechanisms to balance support in order to limit the growth of regional disparities. They can also serve as a basis for local government actions in the area of long-term financial planning.*
Originality/Value: *The article contributes new knowledge through a detailed analysis of regional differences in the absorption of EU and national funds, as well as by identifying the*

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mechanisms responsible for the decline in payments in 2022–2024. Until now, the literature has been dominated by nationwide studies, while this study takes into account the spatial structure of financing and its consequences for cohesion policy.

Keywords: *Public finance, local government, provincial budgets, European Union funds, National Recovery Plan, cohesion policy.*

JEL codes: *H72, H77, R51.*

Paper type: *Research paper.*

1. Introduction

The public finances of local government units are an important element of the functioning of the state, as they determine the possibilities for the implementation of public tasks and shape the development potential of regions (Daniluk, 2024; Liu and Zhao, 2025). In this context, the budgets of provinces are of particular importance, as they are responsible for development policy at the regional level, including in the areas of infrastructure, education, health care, transport and culture (Hasenberger, 2024).

The structure of provincial revenues reflects both their financial capacity and their degree of dependence on central transfers and external funds, including European Union funds and the National Recovery Plan (Kozioł, 2025; Kierzkowska, 2025).

It should be emphasised that the provinces' own revenues – mainly from income tax (PIT and CIT), fees and property – constitute only a limited part of their budgets, which makes them largely dependent on transfers from the state budget and European funds (Karima *et al.,* 2021; Ginting *et al.,* 2024).). In this sense, the state's redistribution policy and EU support mechanisms are becoming a key factor shaping the financial capabilities of regions Mielech and Rajecka, 2025).

The importance of external funds has increased particularly in recent years with the launch of programmes financed under the 2021-2027 perspective and the National Recovery Plan (Porwoł, 2025) which aims not only to overcome the effects of the COVID-19 pandemic, but also to accelerate the transition to a low-carbon and digital economy (Sepetis *et al.,* 2024).

Thanks to these funds, provinces can implement projects of strategic importance, such as infrastructure investments, public transport development, improvement of health services and modernisation of the education system, which largely exceed the financial capabilities based solely on their own revenues (Rogalska and Stachowicz, 2021).

The aim of this article is to analyse the structure and dynamics of provincial budget revenues in Poland in 2022-2024, with particular emphasis on the share of funds from the state budget and European funds. The study aims to assess changes in the financial structure of provinces and identify regional differences in this regard.

The study uses the desk research method, which involves secondary analysis of statistical data from official sources, including primarily the Local Data Bank of the Central Statistical Office and annual budget reports of local government units.

The results of the analysis indicate that provincial budgets are largely dependent on central government transfers and EU funds, and that the level of financial independence of individual regions varies significantly.

The research conducted also has practical implications. Its results can be used by provincial authorities and provincial councils in the process of financial policy planning and budget management, by the Ministry of Finance and EU institutions in assessing the effectiveness of support mechanisms and designing new financial instruments, as well as by the academic community, non-governmental organisations, analytical institutions and economic media in analyses and debates on public finances. In addition, this research can serve as a point of reference for entrepreneurs and investors who, when analysing the financial situation of provinces, gain knowledge about the development potential of individual regions.

The novelty of the research lies in its comprehensive approach to the structure and dynamics of provincial budget revenues in Poland in the context of the use of national and EU funds, taking into account their relative proportions and regional differences. The literature on the subject is dominated by an approach focused on the analysis of municipal and county budgets, while the provincial level is analysed relatively rarely and usually in a fragmentary manner.

Another original aspect is the combination of macroeconomic (national) analysis with regional analysis, which allows not only for an assessment of general trends in voivodship finances, but also for capturing the specific characteristics of individual regions and differences in their development potential. As a result, the study provides knowledge that can serve as a basis for further academic analysis, practical regional policy measures and the programming of future EU funds and national support mechanisms.

The article consists of four sections: introduction, methodology, results and discussion, and summary.

2. Methodology

The article uses the desk research method, which involves analysing secondary/existing data that has already been collected by external institutions in order

to formulate new research conclusions (Bednarowska, 2015). This method was used to interpret statistical information on the budget revenues of provinces in Poland.

The main source of data was the Local Data Bank (BDL) of the Central Statistical Office, as well as GUS publications on public finances, including reports on the implementation of local government budgets and the "Statistical Yearbooks of Voivodeships". From these resources, information was obtained on:

- the provinces' own revenues,
- transfers from the state budget,
- European Union funds (structural funds, Cohesion Fund, operational programmes),
- funds related to the implementation of the National Recovery Plan.

The time frame of the analysis covered the years 2022-2024, which allowed for an assessment of the trends shaping the structure of provincial budget revenues.

The statistical data were cross-checked and organised in comparative tables and charts, which made it possible to identify spatial differences between provinces and assess the share of individual sources in the revenue structure. The study used growth indicators (analysis of changes over time), structure indicators (percentage share of individual sources in the total revenue of provinces) and comparative indicators (regional differences).

It should be noted that the public finance statistics published by the Central Statistical Office are based on a harmonised international methodology, which ensures the comparability of data in terms of time and space (Central Statistical Office, 2023). At the same time, certain limitations of the study should be borne in mind. Firstly, the availability of data depends on the GUS publication cycle, which in practice means that the latest data may be published with a one- or two-year delay.

Secondly, methodological changes in public finance reporting may affect the full comparability of data over a long time horizon. Thirdly, the aggregation of data at the voivodeship level does not allow for capturing local specificities in smaller local government units, such as counties or municipalities.

Despite the above limitations, the method used allows for obtaining a reliable picture of the structure and dynamics of voivodship budget revenues in Poland and for formulating conclusions on the role of national and EU funds in the financing of voivodship governments.

3. Research Results and Discussion

An analysis of county budget revenues in Poland in 2022–2024 provides a multifaceted view of the mechanisms of financing local governments, in particular

with regard to transfers from the state budget, European Union funds and the National Recovery Plan (KPO).

The structure and dynamics of these financial flows reveal not only the directions of regional policy and development, but also the ability of local government units to absorb funds and use them effectively.

Figure 1 illustrates the amount of funds from the state budget and other national sources allocated to co-finance programmes and projects implemented with the participation of structural funds and the European Union Cohesion Fund in 2022–2024.

The data show differences between provinces in terms of both the amount of funds transferred and the dynamics of changes in individual years.

Figure 1. *Funds from the state budget or other funds transferred as co-financing for programmes and projects implemented with the participation of structural funds and the EU Cohesion Fund*

Source: *Central Statistical Office, https://bdl.stat.gov.pl/bdl/dane/podgrup/wymiary.*

The highest co-financing values were recorded in the Podkarpackie Province, which maintained its position as the clear leader in the analysed period. In particular, in 2024, this region reached a level of approximately PLN 60 million, which significantly exceeds the average values recorded in other provinces. High expenditure in this case may be related to the implementation of key infrastructure, transport or innovation projects, which require significant national funding under the co-financing mechanism.

A significant increase is also observed in the Lubelskie Province, where in 2024 the

amount exceeded PLN 30 million, and in the Śląskie Province, where expenditure increased to approximately PLN 20 million. Relatively high values can also be seen in the Dolnośląskie and Mazowieckie Provinces, where the level of co-financing has been steadily increasing. The Łódź, Małopolska, Podlaskie and Wielkopolskie provinces were characterised by a moderate level of co-financing, ranging between PLN 10 and 15 million in 2024, which indicates a stable, albeit less dynamic, growth compared to the leading regions.

In contrast, the lowest amounts of funds allocated to co-financing EU programmes and projects were observed in the Kuyavian-Pomeranian, Lubusz, Opole, Warmian-Masurian and West Pomeranian provinces. In their case, the level of support did not exceed a few million PLN per year, which may indicate a smaller scale of projects or a lower level of absorption of European funds.

The general trend, particularly evident in 2024, indicates a significant increase in the involvement of the state budget and other national sources in co-financing projects implemented with the support of EU funds. This may be the result of the intensified implementation of the new EU financial perspective, as well as increased investment needs in individual regions (Table 1).

Table 1. *Funds from the state budget and other national sources allocated as co-financing for programmes and projects implemented with the participation of EU Structural Funds and the Cohesion Fund in 2022–2024 (in PLN)*

TERRITORIAL UNIT	**2022 [PLN**	**2023 [PLN]**	**2024 [PLN**
POLAND	136,976,749.65	130,878,308.60	236,150,813.48
LOWER SILESIA	8,281,089.25	7,579,480.01	15,894,677.53
KUJAWSKO-POMORSKIE	3,579,999.86	2,598,940.97	2,842,120.85
LUBELSKIE	19,837,614.14	16,841,212.12	36,273,787.69
LUBUSKIE	2,279,379.22	187,638.33	4,557,600.86
ŁÓDZKIE	3,848,348.73	13,940,620.89	10,220,777.38
LESSER POLAND	16,783,082.69	9,045,628.58	22,441,738.62
MAZOVIAN	7,205,006.74	6,890,119.00	14,696,187.49
OPOLE	1,868,929.77	1,119,912.50	2,898,925.05
PODKARPACKIE	17,625,322.80	27,053,253.63	58,549,669.52
PODLASKIE	15,567,626.98	12,707,404.67	14,824,252.88
POMERANIA	4,245,234.40	7,886,156.71	7,567,665.62
Silesia	7,642,783.07	10,740,650.77	19,717,803.81
ŚWIĘTOKRZYSKIE	8,535,183.56	3,103,046.53	3,541,218.69
WARMIA-MAZURY	10,638,106.21	2,365,275.75	4,461,217.79
GREATER POLAND	3,639,908.84	3,686,206.70	15,122,566.49
WEST POMERANIA	5,399,133.39	5,492,649.64	2,544,702.50

Source: *Own study based on data from the Central Statistical Office, https://bdl.stat.gov.pl/.*

At the national level, there is a noticeable increase in the value of these funds – from approximately PLN 137 million in 2022, through a decline to PLN 131 million in 2023, to PLN 236 million in 2024. The last year of the analysed period therefore indicates an intensification of EU fund absorption and increased involvement of national funds in the co-financing process.

The highest values were recorded in the Podkarpackie Province, which in 2024 reached almost PLN 59 million, which is a clear dominance on a national scale and indicates the implementation of large projects requiring significant national support. High amounts were also allocated to the Lubelskie Province (over PLN 36 million in 2024) and the Małopolskie Province (over PLN 22 million in 2024). Relatively high values can also be seen in the Silesian, Lower Silesian and Mazowieckie Provinces.

In turn, in the provinces of Kujawsko-Pomorskie, Opolskie, Zachodniopomorskie and Lubuskie, the level of co-financing remained low and did not exceed a few million PLN per year, which may indicate a smaller scale of projects implemented or limited absorption of available funds. In some regions, such as Świętokrzyskie and Warmian-Masurian, significant declines are visible in subsequent years, indicating irregularity in the project financing process.

To supplement the analysis, it is worth looking at the amount of funds coming directly from the European Union, earmarked for financing programmes and projects implemented in Poland. These data allow for an assessment of the actual scale of EU funds involved in the development of individual regions and indicate the extent to which European support influences the implementation of cohesion policy.

A comparison of the amount of these funds in individual years and provinces makes it possible to identify areas where EU co-financed investments are most intensive and provides a better understanding of the mechanisms for distributing funds in the new financial perspective (Figure 2).

These data illustrate regional differences in the absorption of European funds and indicate the dynamics of change over time. At the national level, an upward trend is visible – in most provinces, the amounts in 2024 significantly exceed those from previous years. The largest funds were received by the Podkarpackie Province, which in 2024 reached over PLN 120 million, which is a clear dominance on a national scale. Such a high level of funding indicates a concentration of large infrastructure and investment projects in this region. Significant amounts were also recorded in the Lubelskie, Małopolskie, Mazowieckie and Śląskie provinces, which systematically increased their absorption of funds.

Provinces such as Kujawsko-Pomorskie, Lubuskie, Opolskie and Zachodniopomorskie, on the other hand, were characterised by low levels of funding, not exceeding several million zlotys per year.

This indicates the limited scale of projects implemented under cohesion policy in these regions or a lower capacity to absorb funds.

Figure 2. *European Union funds for financing EU programmes and projects in individual provinces of Poland in 2022-2024*

Source: *Central Statistical Office, https://www.ewaluacja.gov.pl/strony/badania-i-analizy/.*

An analysis of the data showed a clear increase from approximately PLN 310.8 million in 2022 to nearly PLN 489 million in 2024 on a national scale. The decline in 2023 (PLN 293.9 million) may be related to the project implementation cycle and shifts in the spending schedules. From the point of view of cohesion policy, the sharp increase in 2024, which coincided with the start of the implementation of projects under the new EU financial perspective, is particularly important (Table 2).

Table 2. *European Union funds allocated to finance EU programmes and projects in individual provinces in Plasz in 2022-2024 in PLN*

TERRITORIAL UNIT	2022 [PLN	2023 [PLN]	2024 [PLN
POLAND	310,805,626.31	293,921,344.04	488,991,425.26
LOWER SILESIA	29,713,395.97	29,020,800.92	32,572,303.74
KUJAWSKO-POMORSKIE	4,856,395.50	3,713,764.63	7,744,236.17
LUBELSKIE	42,906,061.02	32,942,060.20	67,246,180.36
LUBUSKIE	9,138,259.98	5,266,917.80	11,741,179.15
ŁÓDZKIE	10,314,752.12	11,417,206.96	14,669,385.53
LESSER POLAND	23,107,873.79	20,735,339.22	46,422,794.03
MAZOVIAN	23,183,022.31	27,870,755.41	36,579,185.68
OPOLE	6,518,658.50	7,809,948.31	6,666,089.15
PODKARPACKIE	47,967,402.49	53,349,834.29	122,011,666.09

PODLASKIE	32,031,420.23	24,790,350.74	40,148,185.63
POMERANIA	9,228,133.78	15,762,742.99	15,938,340.05
Silesia	31,467,910.95	27,551,110.14	39,612,284.27
ŚWIĘTOKRZYSKIE	14,656,287.34	7,990,527.03	10,737,803.49
WARMIA-MAZURY	8,952,535.46	8,577,077.12	13,566,941.01
GREATER POLAND	8,618,801.10	12,371,388.54	15,797,800.36
WEST POMERANIAN	8,144,715.77	4,751,519.74	7,519,049.74

Source: *Central Statistical Office, https://www.ewaluacja.gov.pl/strony/badania-i-analizy/.*

In 2024, the largest amount of funds went to the Podkarpackie Province (over PLN 122 million), which accounts for approximately 25% of the total funds available nationwide. Such a high level of absorption may be a consequence of the implementation of strategic infrastructure investments (e.g. in transport and logistics, as well as support for the aviation industry in Rzeszów and the surrounding area). High amounts were also recorded in the Lubelskie Province (PLN 67.2 million) and the Małopolskie Province (PLN 46.4 million), which indicates a concentration of large projects in eastern and southern Poland.

In contrast, the level of funding was relatively low in the Kuyavian-Pomeranian (PLN 7.7 million), West Pomeranian (PLN 7.5 million) and Opole (PLN 6.6 million) provinces, which may be due to the smaller number of infrastructure projects requiring large co-financing. An interesting case is the Pomeranian Province, which received PLN 15.8 million in 2023, but in 2024 this amount remained virtually unchanged, suggesting stable but not very intensive development of projects in the region.

The overall picture shows that the absorption of EU funds in Poland is characterised by strong spatial disparities, with the provinces of Eastern and Southern Poland dominating. The year 2024 is a clear turning point, with EU funding increasing by almost PLN 200 million compared to the previous year, which proves the intensification of the implementation of the new budgetary perspective.

In turn, financing under the European budget and payments made by the Polish Development Fund S.A. for the National Recovery Plan are a key support mechanism for the Polish economy and individual regions. These funds not only enable the implementation of current pro-development investments, but also strengthen the country's socio-economic resilience in the long term.

The National Recovery Plan (NRP) is part of the EU's Recovery and Resilience Facility (RRF) and serves as a comprehensive reform and investment programme. Its main task is to rebuild the economy after the COVID-19 pandemic and, at the same time, accelerate the transition to sustainable development, digitalisation and green energy.

The funds allocated under the NRRP are therefore strategic in nature, as they enable regions to finance infrastructure modernisation, the development of innovative sectors

of the economy, the strengthening of the labour market and the improvement of public services (Figure 3).

The analysis of the data shows that there are significant differences between provinces. The highest values in 2024 were recorded in the Wielkopolska Province (over PLN 120 million), which clearly dominates the other regions and may be the result of the implementation of large strategic investment projects. High levels of funding are also visible in the Lower Silesian, Kuyavian-Pomeranian, Łódź and Lesser Poland provinces, where the amounts exceeded PLN 70 million.

In contrast, the lowest values were recorded in the Lubuskie, Opole and Podlaskie provinces, where payments during the entire period analysed did not exceed PLN 25-30 million per year.

This indicates a smaller scale of projects financed from the NRP and limited absorption of funds in these regions. In some provinces, such as Mazovia and Silesia, relative stabilisation at an average level can be observed, suggesting a steady, albeit not intensive, inflow of funding.

Figure 3. *Payments from the European budget and disbursements made by the Polish Development Fund S.A. for the implementation of the National Recovery Plan in 2022-2024*

Source: *Central Statistical Office, https://www.ewaluacja.gov.pl/strony/badania-i-analizy/.*

Spatial differentiation thus indicates a concentration of the largest transfers in regions with strong economic and investment potential, while in economically weaker provinces, funding from the NRP was smaller, which may exacerbate existing development disparities.

Table 3. *Financing and co-financing of EU programmes and projects in individual provinces in Plasz in 2022-2024 in PLN*

TERRITORIAL UNIT	2022 [PLN	2023 [PLN]	2024 [PLN]
POLAND	866,170,497.05	764,280,125.59	685,514,141.79
LOWER SILESIA	67,770,843.20	94,953,525.81	55,308,918.50
KUJAWSKO-POMORSKIE	70,192,019.60	72,515,261.83	24,746,142.25
LUBELSKIE	54,816,612.70	37,522,416.18	30,857,345.18
LUBUSKIE	10,213,157.74	10,203,760.38	26,949,854.76
ŁÓDZKIE	65,745,256.69	40,553,496.22	70,913,482.75
LESSER POLAND	94,842,416.51	47,058,340.13	55,048,483.90
MAZOVIAN	36,524,074.95	24,267,252.82	26,670,467.56
OPOLE	25,260,743.61	35,305,687.69	17,368,914.91
PODKARPACKIE	56,832,000.85	55,774,132.86	60,437,733.11
PODLASKIE	30,451,101.41	30,960,273.73	10,946,405.17
POMERANIA	51,705,747.20	42,102,134.56	46,000,288.20
Silesia	48,524,095.09	32,087,827.37	31,185,987.86
ŚWIĘTOKRZYSKIE	68,537,473.13	53,150,561.52	25,164,442.97
WARMIA AND MAZURY	35,992,712.17	23,232,644.50	48,774,896.28
GREATER POLAND	94,498,051.93	95,353,441.05	114,527,077.65
WEST POMERANIA	54,264,190.27	69,239,368.94	41,069,424.24

Source: *Own study based on the Local Data Bank (BDL) in the category "Financing and co-financing of EU programmes and projects, https://bdl.stat.gov.pl/bdl/.*

In 2022–2024, Poland saw a significant decrease in the value of payments made under the European funds budget and the National Recovery Plan. In 2022, the total value of funds amounted to PLN 866.2 million, in 2023 it decreased to PLN 764.3 million (a decrease of 11.8%), and in 2024 it reached only PLN 685.5 million, which represents a total decrease of over 20% compared to the first year of the analysed period. The largest beneficiary was Greater Poland, which in 2024 received PLN 114.5 million, or 16.7% of all funds nationwide, thus increasing its share by over 21% compared to 2022.

Lower Silesia, Lesser Poland and Łódź also received significant support, but in these regions the values were less stable and characterised by large fluctuations between years. A clear increase was recorded in the provinces of Lubuskie (+164% compared to 2022), Warmia-Masuria (+36%) and Łódź (+8%), while in many other regions the funds decreased significantly. The largest declines were recorded in the Kujawsko-Pomorskie (–65%), Świętokrzyskie (–63%), Podlaskie (–64%) and Lubelskie (–44%) provinces, which indicates limited absorption of funds in these parts of the country.

The decline in the value of payments nationwide can be explained by several factors. Firstly, the change in programme implementation schedules and delays in project

implementation resulting from the European Union's financial cycle were significant.

Secondly, there was a visible transition phase between the 2014–2020 budget perspective and the new 2021–2027 perspective, which caused a slowdown in the launch of new investments and a temporary reduction in payments. In addition, the implementation of the National Recovery Plan was delayed due to negotiations with the European Commission, which translated into lower payments in 2023 and 2024. Overall, these factors meant that despite growing demand for development financing, the real value of payments in the period analysed declined steadily (Kotlińska, et al. 2024).

The research conducted has identified new aspects of the spatial differentiation of funds transferred from the state budget, the European Union and under the National Recovery Plan (NRP) at the provincial level. Previous analyses focused mainly on the overall value of payments at the national level, pointing to the cyclical nature of spending and the link with the EU's financial perspectives (Feltynowski and Feltynowski, 2025). Our research, on the other hand, allowed us to capture detailed regional differences, showing which provinces were the main beneficiaries and which benefited to a much lesser extent from the available funds.

The literature on the subject has already emphasised that the absorption of European funds is strongly linked to the institutional and economic potential of regions and the timetable for programme implementation (Yu *et al.,* 2024). The results of our analyses confirm this thesis, but at the same time reveal a new phenomenon – the growing role of certain provinces, such as Greater Poland and Lower Silesia, which in recent years have increased their share in total funding, in contrast to regions in Eastern Poland (e.g., Lublin and Podlasie), where a clear decline in payments is visible (Rechul and Surówka, 2024).

The similarities with earlier studies therefore concern the general downward trend in the value of payments in the transition phases between EU budget perspectives, which we also observed in 2022–2024. However, differences appear in the detailed regional structure – our research shows not only a general decline, but also deep spatial disparities, which may lead to a deepening of development inequalities between provinces.

Several important conclusions can be drawn from the results obtained. Firstly, the absorption of European and national funds is not evenly distributed across the country – regions with strong economic potential and better institutional infrastructure receive more support.

Secondly, the decline in the value of payments at the national level confirms the importance of the EU budget cycle and delays in the launch of the National Recovery Plan, which have clearly contributed to the reduction in available funds. Thirdly, our analyses point to the need for a more balanced distribution of funds in the future in

order to avoid deepening regional disparities and ensure coherent territorial development.

4. Conclusions, Proposals, Recommendations

The research conducted allowed for a critical analysis of provincial budget revenues in the context of financing from national and European funds, with particular emphasis on structural funds and the National Recovery Plan. Its value lies in showing the spatial differences in the level of absorption of funds and in pointing out downward trends in payments in 2022–2024, which until now had only been generally signalled in the literature.

The results reveal significant differences between regions – from the dominance of Wielkopolska and Podkarpacie to a clear decline in the share of eastern Poland's provinces – which constitutes new knowledge in the practical implementation of cohesion policy.

However, these studies have their limitations. Firstly, they cover a relatively short time frame, which makes it difficult to fully capture long-term trends in the absorption of EU funds.

Secondly, the analysis is based on aggregated data, without taking into account internal differences between projects in terms of their type or strategic value, which may lead to simplifications in interpretation. Another weakness is the lack of a link between the data obtained and the socio-economic effects of the investments, which is an important area for further research.

Despite these limitations, the analyses conducted make a significant contribution in both theoretical and practical terms. From the perspective of public finance theory, they confirm the importance of the relationship between the fiscal potential of local government units and their ability to absorb external funds.

In practical terms, the results can be used to improve the state's redistribution policy and EU fund programming mechanisms in order to counteract the deepening of regional inequalities.

The significance of the research goes beyond the analysis of financial flows – it provides knowledge about how the structure and size of local government revenues affect the real development opportunities of regions. The information obtained can be used in strategic planning at regional and national level, in the preparation of subsequent EU programming documents and in the evaluation of cohesion policy.

Thus, the research provides a starting point for further analysis of the effectiveness of spending and the impact of European and national funds on the long-term socio-economic development of Poland.

In this context, it is worth highlighting the recommendations resulting from the analyses carried out. The absorption capacity of provinces with weaker potential should be strengthened, they should be supported institutionally and in terms of human resources, and the redistribution of funds should be targeted in such a way as to limit the growth of regional disparities.

It is important to link development strategies with EU funds and the National Recovery Plan, which will increase the coherence of investments and their impact on socio-economic development. The recommendations also include increasing the transparency and systematic evaluation of project results and developing inter-regional cooperation through the exchange of experiences and good practices. Long-term financial planning that takes into account the cyclical nature of EU budgets and the risk of payment delays is also crucial.

These measures will not only increase the effectiveness of fund absorption, but also ensure more sustainable regional development in the long term.

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