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Issuing of Savings Treasury Bonds in the Years 2015–2018 and Their Impact on Public Debt – Legal and Financial Aspects

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The aim of the study is to analyse and assess the legal basis for issuing savings treasury bonds in Poland and to determine the impact of the value of these issues on public debt in Poland. The assumption was made that savings bonds are a special type of government bonds. The paper uses dogmatic-legal and empirical-analytical methods. As a result, it was shown that savings treasury bonds are used by the state not only to incur public debt but also as an instrument supporting the implementation of various government social programmes involving public financial resources, mainly in the sphere of social security. The analysis of the sales results of savings bonds in the years 2015–2018 showed that they had a slight impact on the growth of public debt in Poland. To a certain extent, for their buyers, they may be an alternative form of capital accumulation to banking savings deposits. Despite tax exemption, interest on savings bonds did not affect significant development of voluntary pension insurance in the form of individual retirement accounts.

Keywords: State Treasury, savings bonds, public debt, treasury securities.

Emisje skarbowych obligacji oszczędnościowych w latach 2015–2018 a dług publiczny – aspekty prawne i finansowe

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Celem opracowania jest analiza i ocena prawnych podstaw emisji skarbowych obligacji oszczędnościowych w Polsce oraz ustalenie wpływu wartości tych emisji na dług publiczny w Polsce. Przyjęto założenie, że obligacje oszczędnościowe są szczególnym typem obligacji skarbowych. W opracowaniu posłużono się metodami dogmatycznoprawną oraz empiryczno-analityczną. W rezultacie wykazano, że skarbowe obligacje oszczędnościowe wykorzystywane są nie tylko do zaciągania długu publicznego, lecz także jako instrument wspierający realizację różnych rządowych programów społecznych angażujących publiczne zasoby finansowe, głównie w sferze zabezpieczenia społecznego. Przeprowadzona analiza wyników sprzedaży obligacji oszczędnościowych w latach 2015–2018 wykazała, że w niewielkim stopniu wpłynęły one na wzrost długu publicznego w Polsce. W pewnym zakresie dla ich nabywców mogą one być alternatywną, wobec bankowych wkładów oszczędnościowych, formą gromadzenia kapitałów. Pomimo wprowadzonego zwolnienia z opodatkowania odsetek od obligacji oszczędnościowych nie wpłynęły one na istotny rozwój dobrowolnych ubezpieczeń emerytalnych w postaci indywidualnych kont emerytalnych.

Słowa kluczowe: Skarb Państwa, obligacje oszczędnościowe, dług publiczny, skarbowe papiery wartościowe.

JEL: H63, E63, H31

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1. Introduction

The main objective of this paper is the analysis of the grounds for issue of savings treasury bonds and the assessment of the financial impact of such issue in the context of public debt in Poland. The starting point was establishing the essence and identifying the legal features of savings treasury bonds. An attempt has also been made to identify the motives for issuing these bonds in 2015–2018, as at that time – compared with the previous years – they have been used more often in the implementation of various government social programmes involving public financial resources. When examining the value of savings treasury bonds issues in particular years, their impact on public debt in Poland was assessed against the background of the issue of other treasury securities. The method based on the legal theory has been used in the paper, complemented with: the analysis of the existing legislation and the empirical method comprising the official results of the sales of treasury securities in the examined period. It has been assumed that currently savings treasury bonds not only constitute a certificate of National Treasury debt, but may also be an instrument supporting the realization of the aims of the social policy of the state.

The legal status of savings treasury bonds has been specified in Article 101 of the Public Finance Act of 27 August 2009 (hereinafter referred to as PFA). They belong to a broader category of treasury securities issued by the National Treasury. The legal consequence of their issue is the National Treasury incurring a debt with the purchaser of the securities, whereas not in all cases it is a monetary debt only. The liability of the National Treasury may be of monetary or non-monetary nature. In view of the circle of potential buyers of savings treasury bonds, they have been classified as retail securities (Panfil, 2011, p. 191). Pursuant to Article 101 section 1 of PFA, buyers may be natural persons, associations, other social and professional organizations, foundations, included in the court register, and – in the case of non-residents – also registered in another (foreign) register if the conditions of issue so provide. A non-resident, pursuant to the provisions of the Act of 27 July 2002, Foreign Exchange Law, is, i.a., a legal person having their registered office outside the territory of the Republic of Poland. Pursuant to Article 7 section 2 of the Law on Foundations of 6 April 1984, a foundation acquires legal personality upon entry in the register.

The subject of analysis herein are savings treasury bonds. It must be emphasized that this term is narrower compared with "savings treasury securities" used in Article 101 of PFA. Article 96 of PFA states that treasury securities, with savings treasury securities constituting a special part thereof (Ofiarski, 2010, p. 167), are divided into two categories, the so-called short-term (issued for the period no longer than a year, including, among others, treasury bills) and long-term (issued for the period no longer than a year, including, among others, treasury bonds). This division is dichoto-

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mous and has been introduced due to the time frame (Dyl, 2006, p. 733). Limiting the analysis to the content of Article 101 of PFA only, it can be assumed that the legislator does not limit the periods for which treasury securities may be issued.

The analysis of the content of the conditions for issuing treasury securities carried out in 2015–2018 proves that only the securities referred to as "bonds" were offered for sale at that time. These should be issued for the periods longer than one year, but the legislator did not observe regulations provided in Article 96 of FPA in this regard, which led to the issue of savings treasury bonds for the periods no longer than a year, e.g. three or nine months. From the point of view of a normative criterion, there was no ground for using the term "savings bonds" in some cases. It would have been better to use the term "savings bills" or another, e.g. "savings tickets".

It should be emphasized that a relatively easy legal construct was used in Polish savings bonds, limited to the government incurring debt with the purchasers of the bonds, for remuneration, since the interest paid to bondholders is the cost to the government. However, more complex legal constructions used in other countries, i.e. combining savings functions with occasionally conducted lotteries giving the possibility to draw an additional cash bonus, were not used. Such solutions have been applied for many years in Sweden, Denmark, Ireland, India, Japan and the United Kingdom. Differentiating the sales conditions of savings bonds and the potential benefits related to their ownership may significantly distort the results of comparing social interest in savings bonds in Poland and other countries. Polish savings treasury bonds lack the actual "chance" element – characteristic of a lottery, which is a certain type of gambling activity. Individual exceptions in the examined period do not constitute a significant deviation from the aforementioned rule (e.g. 10-month premium savings treasury bonds were issued in mid-2018, the ownership of which was related to accruing interest at the rate of 1.5% per annum and the possibility to draw a cash bonus proportional to the nominal value of the bond. The bonuses amounted to 10%, 100%, 1000% and 10000% of the nominal value of the bonds, i.e. respectively: PLN 10, PLN 100, PLN 1,000 and PLN 10,000 (letter of issue no. 35/2018).

2. Savings Treasury Bonds – General Legal Regulations

The Public Finance Act specifies only a closed catalogue of potential buyers of savings treasury bonds. The statutory enumeration is exhaustive and no other entities may acquire those securities than those indicated in Article 101 section 1 of PFA. In addition to subjective restrictions, there are also possible limitations regarding secondary trading in savings treasury bonds. Pursuant to Article 101 section 2 of FPA, they may be excluded from secondary trading or may be traded only between the entities specified in Article 100 section 1 of PFA. The restrictions concerning trading in savings treasury bonds have not been set forth directly in the act, as they are specified in detail at the time of issue. Therefore, the scope of these restrictions is ultimately specified by the Minister of Finance, who issues, pursuant to Article 98 section 1 of PFA, a letter of issue setting forth the specific issuance conditions for treasury securities, concerning the content of performance resulting from these securities and the manner of their realization. Based on the letter of issue, the issue is actually performed within the framework of the general rules adopted in the Public Finance Act (Zawadzka, 2019, p. 638). The fact that it is possible to introduce restrictions on trading in savings treasury bonds means that they are not actually marketable, they are not listed on the stock exchange and their secondary trading is not formalized (Ciak, 2012, p. 101).

Pursuant to Article 97 of PFA, the Minister of Finance has been authorized to specify, by means of an ordinance, the conditions for issuance of a particular type of securities. When issuing the ordinance, the Minister of Finance should follow the need to optimally satisfy the borrowing needs of the state budget and to effectively manage the debt of the State Treasury. Savings treasury bonds may also serve such functions. The ordinance of the Minister of Finance dated 3 December 2010 on the conditions of issue of savings treasury bonds offered in the retail network also apply in the said scope. It is characteristic that the provisions of the ordinance only use the term "bond" in the context of specifying the conditions of issuing savings treasury bonds. The ordinance of the Minister of Finance dated 3 December 2010 generally refers to a more generic category of treasury bonds, i.e. bonds offered in the retail network. The provisions directly referring to savings treasury bonds are merely a repetition of the content of the provision of Article 101 of PFA, which should be evaluated negatively in the light of the provisions of the Prime Minister's Regulation of 20 June 2002 on the "Principles of Legislative Technique". Pursuant to § 118 thereof, the ordinance does not repeat the provisions of the enabling act, nor the provisions of other normative acts. It is unnecessary to repeat the statutory provisions in the implementing act, as nothing can be regulated this way (Wronkowska, 2012, p. 240).

The quoted ordinance of the Minister of Finance specifies, in general: the minimum value of the bond (PLN 100 or EUR 100 or a multiple of these amounts), the possibility to issue the bonds in series, the requirement that the bonds must be bearer bonds, the obligation to publish the issue letter in the nationwide mass media (including electronic information systems). Moreover, it has been specified that bonds do not have the form of a document and are registered in the National Depository for Securities [*Krajowy Depozyt Papierów Wartościowych SA*] in Warsaw. Apart from interest, the letter of issue may also offer other receivables in the form of an additional cash payment (premium) arising from exercising the right to participate in a lottery draw on bonds. Four methods of selling bonds have been provided for:

 DOI 10.7172/1644-9584.83.5

- subscription,
- conversion into subsequent issues of bonds by holders of bonds to be redeemed,
- sales at points of sale of bonds (particularly in the case of treasury savings bonds),
- sale by means of ICT systems (only to resident natural persons).

The Minister of Finance may call the bondholders, by means of the nationwide mass media, to submit bonds for early redemption, specifying an appropriate deadline for this purpose. The bonds submitted for early redemption are not subject to interest from the maturity date due to their early redemption.

In conclusions the specific legal nature of treasury bonds and the minimal range of statutory regulation justify the requirement for the law to be proposed (*de lege ferenda*) for a statutory authorization of the Minister of Finance to issue a separate ordinance regulating the conditions of issuing treasury bonds. These conditions would be universal and applicable to the issue of all savings treasury bonds. Detailed terms and conditions should – as before – be set out in the letters of issue released with regard to the specific issue of such securities. Further development of detailed rules on savings treasury bonds in Poland is recommended, although the offer should be varied and trigger motivation for the creation of the own investment portfolio consisting of bonds with different time frames, different interest rate rules and a relatively simple legal structure. However, the access to these bonds should be as simple and secure as possible (Ministry of Finance, 2018a, p. 56).

3. Financial Impact of the Issue of Savings Treasury Bonds in 2015–2018

With reference to savings bonds, the Polish public finance sector debt management strategy in 2017–2020 assumed only occasional use of this instrument in order to satisfy the preferences of individual buyers and increase their participation in financing the borrowing needs of the state (Ministry of Finance, 2016b, p. 12). However, a part of the assumptions was changed in the next strategy adopted for 2018–2021. A possibility to use a new type of savings bonds was indicated – the so-called family treasury bonds offered to the recipients of the benefits under the “Family 500+” programme, with a structure similar to the previously issued 10-year retirement savings bonds EDO (Ministry of Finance, 2017c, pp. 12–13).

There has been a clear shift in the approach, from cautious to more dynamic, in the Strategy adopted for 2019–2022, as a significant expansion of the savings bond offer has been planned (Ministry of Finance, 2018b, p. 12). In particular, new fixed-rate bonds with a 3-month fixed redemption term and a pilot issue in June 2018 of premium savings bonds with a 10-month fixed redemption term were indicated. The introduction of new types of savings bonds was justified by the following needs: expanding the investor base, increasing willingness to make savings and promoting all types of savings bonds in order to "build a culture" of savings.

All data on the sales of treasury savings bonds presented below have been derived from the official documents prepared by the Ministry of Finance, in particular letters of issue and annual reports on public debt, as well as the annexes to these reports. Table 1 presents the results of the sales of treasury bonds – including savings bonds – in order to indicate their small share in the total number of debt securities sold by the State Treasury.

Year	Treasury bonds sold (PLN)	Treasury savings bonds sold (PLN)	The share of savings bonds in the sales of treasury bonds (%)
2015	128,300,000,000	3,218,000,000	2.51
2016	178,500,000,000	4,634,000,000	2.60
2017	136,400,000,000	6,861,000,000	5.03
2018	124,500,000,000	12,706,400,000	10.21

Tab. 1. The share of savings bonds in the total number of the treasury bonds sold. Source: Own study based on information contained in the annual reports of the Ministry of Finance regarding public debt.

In 2015, five types of savings treasury bonds were offered (11-month and 2-year with a fixed rate, as well as 3-year, 4-year and 10-year with a variable rate) Their total nominal value was PLN 31 billion; the buyers, however, purchased only 10.38% of the bonds, for PLN 3,218,000,000. 2-year bonds, PLN 1,638,000,000 (out of PLN 12 billion offered), were chosen most often. The buyers expressed moderate interest in 3-year, 4-year and 10-year bonds (PLN 6 billion offered in each category). The following bonds were sold: 3-year for PLN 170,000,000; 4-year for PLN 289,000,000; 10-year for PLN 242,000,00 (Ministry of Finance, 2016, p. 8). As a result, 2.83% of 3-year bonds and 4.82% of 4-year bonds and 4.03% of 10-year bonds were purchased. The exemption from capital gains tax in the case of their acquisition through individual retirement accounts did not result in investors' increased interest in purchasing these bonds. The share of savings treasury bonds sold in 2015 in the total number of treasury securities (PLN 110.3 billion sold in the domestic market and PLN 18 billion in the foreign market) was low and totalled 2.51%. In 2015, treasury debt on account of all treasury securities available in the market increased by PLN 30.4 billion. Public debt at the end of 2015 was PLN 877.3 billion, i.e. 48.8% of GDP (Ministry of Finance 2016a, pp. 6 & 31). Such results were affected by the issue of other types of treasury securities as well as loans and credits taken out in financial institutions.

 DOI 10.7172/1644-9584.83.5

In 2016, the offer of savings treasury bonds was extended. The following bonds were offered: 2-year with a fixed rate, as well as 3-year with a variable rate, 4-year and 10-year inflation-indexed bonds, as well as 6-year and 12-year inflation-indexed family savings bonds. The circle of potential buyers of family savings bonds was limited to the beneficiaries of "Family 500+" programme. The subjective restrictions make it possible to distinguish the legal status of these bonds from other savings bonds (Frydrych, 2018, p. 97). The terms and conditions of purchase of particular types of savings bonds and the benefits derived from holding them were made significantly different. The sales of each series of the bonds lasted one month and the bonds could not be subject to secondary trading; however, they have been made available to the issuer for early redemption. Interest on 2-year and 10-year bonds and family bonds was subject to annual capitalization and made available to the investor at the moment of redemption. Interest on 3-year bonds was paid in 6-month periods and interest on 4-year bonds after each year. All savings treasury bonds (apart from family bonds) could be acquired through individual retirement accounts (income from them was exempt from capital gains tax).

Compared with the results from 2015, the value of all savings treasury bonds sold increased in 2016 and totalled PLN 4,634,000,000 (an increase of PLN 1,416,000,000 – namely 44%). The most popular bonds were 2-year bonds (PLN 3,546,000,000) and 4-year (PLN 594,000,000). Family bonds enjoyed moderate interest, with the sales at PLN 3,200,000 (PLN 1,600,000 for 6-year and 12-year). It was due to the fact that they were offered for sale only from Q4 2016. 3-year and 10-year bonds were sold for PLN 207,000,000 and PLN 283,000,000 respectively (Ministry of Finance, 2017a, p. 8).

In 2016, treasury securities were sold for PLN 178.5 billion (including PLN 149.6 billion in the domestic market and PLN 28.9 in foreign markets). The share of the sold savings treasury bonds in this amount – similarly to 2015 – was very low, at 2.60%. In 2016, treasury debt on account of treasury securities increased by PLN 75.8 billion. Public debt at the end of 2016 was PLN 965.2 billion, i.e. 52.1% of GDP (Ministry of Finance 2017b, pp. 8 & 33).

Similar trends emerged at the end of 2017. Seven types of savings treasury bonds were offered for sale: 3-month and 2-year with a fixed rate, as well as 3-year with a variable rate. Moreover, the buyers were offered inflation-indexed savings bonds: 4-year and 10-year, as well as family 6-year and 12-year bonds. Savings bonds sold in 2017 totalled PLN 6,861,000,000. The bonds purchased most often were 2-year bonds (PLN 2,960,000,000) and 4-year bonds (PLN 2,457,000,000). The buyers expressed moderate interest in 3-month bonds (PLN 650,000,000 in bonds sold, however they were on offer only in Q4 2017), 10-year bonds (sold for PLN 561,000,000) and 3-year bonds (sold for PLN 217,000,000). The sales result for family bonds was very low (6-year bought for PLN 9,000,000, whereas 12-year for PLN 8,000,000) (Ministry of Finance, 2017, p. 9).

When comparing the results for sales of savings bonds in 2016 and 2017, there is a noticeable increase in their sales, of PLN 2,227,000,000 – i.e. 48.05%. In 2017, treasury securities were sold for PLN 136.4 billion (including PLN 128.7 billion in the domestic market and PLN 7.7 billion in foreign markets). The share of the sold savings treasury bonds was 5.03%, which means nearly a double increase in comparison with 2016, as the value of all treasury securities sold in 2017 decreased significantly (a PLN 42.1 billion decrease compared with 2016). By the end of 2017, public debt was PLN 961.8 billion, namely 48.5% of GDP. This result was 3.4 billion lower compared with 2016 (Ministry of Finance, 2018, p. 8).

In 2018, savings bonds were sold for PLN 12,706,400,000 (an 85.20% increase compared with 2017). Eight types of savings bonds were offered, including fixed (3-month, 10-month and 2-year), fixed-rate bonds (3-year), inflation-indexed bonds (4-year, 10-year and 6-year and 12-year family bonds). The bonds purchased most often were 3-month bonds (PLN 4,193,112,000), 2-year bonds (PLN 3,570,498,400) and 4-year bonds (PLN 3,341,783,200). There was a moderate demand for 10-year bonds (PLN 1,029,218,400). The interest in the other savings bonds was low: 3-month bonds were sold for PLN 368,485,600 (2.9%), and 3-year bonds for PLN 165,183,200 (1.3%). Similarly, like in the previous years, family bonds did not enjoy much interest and were sold for PLN 38,119,200 (Ministry of Finance, 2018c).

Compared with 2017, there was a slight decrease in the value of treasury securities sold in 2018. Treasury bills were not on sale and the sales of treasury bonds totalled PLN 124.5 billion. In 2018, the debt in bonds increased by PLN 22.6 billion compared to an increase of PLN 27.8 billion in 2017 (Ministry of Finance, 2019a, p. 6). The share of savings bonds in the value of all types of treasury bonds sold in 2018 was 10.21%.

The information contained in Table 2 proves that the value of treasury bonds sold is increasing steadily. In the examined period, the value of the savings bonds purchased in 2018 was nearly four times higher than in 2015. The buyers expressed different level of interest in various types of savings bonds. High demand for 2-year bonds and a low volume of purchased family bonds and 10-year bonds constituted the most sustainable market trend. The results of the sales of family bonds are affected by a limited statutory catalogue of potential buyers, while the low interest in 10-year bonds may be the outcome of investors' reluctance to engage their capital for such a long period of time despite attractive interest rates, in comparison with savings deposits offered by banks.

The comparison of interest rate levels only proves that savings bonds are a more attractive form of investment compared with time deposits offered by banks. In the case of applying a fixed rate, the interest on 3-month bonds in Q1 2019 was 1.5% per annum and 2.1% per annum for 2-year bonds. Other savings bonds, with a variable rate, had the following interest rate per annum: 2.20% (3-year), 2.40% (4-year) and 2.70% (10-year). The

 DOI 10.7172/1644-9584.83.5

interest rate on 3-year bonds is calculated on a 6-month basis, based on the 6-month interbank borrowing rate. The interest rate on 4-year bonds changes annually and is calculated based on the sum of the inflation index over the last 12 months and the margin at the level of 1.25%. The same mechanism applies to 10-year bonds – the margin, however, is 1.5%. The interest rate on family bonds changes annually and is calculated based on the sum of the inflation index over the last 12 months and the margin at the level of 1.75% for 6-year bonds and 2% for 12-year bonds. In Q1 2019, the interest on 6-year bonds was 2.80%, whereas the interest on 12-year bonds was 3.20% per annum (Ministry of Finance, 2019). It should be borne in mind, however, that savings bonds are issued in a dematerialized form, therefore their purchase requires opening a securities account and incurring the costs of such account being operated by an authorized entity.

Year	Treasury securities (PLN)	Sales dynamics (%)	Savings treasury bonds (PLN)	Sales dynamics (%)
2015	128,300,000, 000	100.00	3,218,000,000	100.00
2016	178,500,000, 000	139.13	4,634,000,000	144.00
2017	136,400,000, 000	76.41	6,861,000,000	148.06
2018	124,500,000, 000	91.28	12,706,400,000	185.20

Tab. 2. Dynamics of the value of sales of treasury securities, including savings bonds, in 2015–2018. Source: Own study based on information contained in the annual reports on public debt by the Ministry of Finance.

In that period, the average interest rate on term savings deposits, i.e. the products offered to private individuals, was 1.52% on an annual basis and decreased by 0.05 percentage point in comparison to December 2018. The best offers in this period were mobile deposits bearing interest at 4% per annum, however they were accepted only for a 2-month period and limited to PLN 20,000 (Janik, 2019).

4. Conclusions

The proceeds from the issue of treasury securities finance primarily the borrowing needs of the state budget, including the repayment of debt incurred in the previous years (Ciak & Górniewicz, 2010, p. 249). All issued treasury securities serve that function, although to a different extent. Savings bonds play a moderate role in this regard due to their low share in the total number of treasury securities sold each year. Therefore, the share of savings bonds in generating public debt is also minor.

Savings bonds are used not only as a method of incurring a debt with the bondholders by the National Treasury. The possibility to purchase them in individual retirement accounts (except for family bonds) should provide an important stimulus for the development of voluntary retirement insurance, as the income from savings bonds (interest) purchased within the framework of Individual Retirement Account [IKE] is exempt from personal income tax. The interest on term deposits offered by banks does not have such a privilege. There are certain correlations in this regard. As of the end of 2017, 951,600 persons held an Individual Retirement Account [IKE] (902,600 at the end of 2016), which represented only 5.8% of the employees. The value of the IKE market in terms of accumulated assets amounted to PLN 8 billion, which was an increase of 19.6% compared to the end of 2016. Most assets under IKEs were accumulated in insurance companies (PLN 2.6 billion) and investment funds (PLN 2.4 billion). The cash inflows to IKEs in 2017 amounted to PLN 1,427,400,000 (PLN 203,900,000 more than in 2016), including PLN 1,205,400,000 in contributions (PLN 140,000,000 more than in 2016) and PLN 222,000,000 in transfers from employee pension schemes (PLN 63,900,000 more than in 2016) (Polish Financial Supervision Authority, 2018, p. 5).

Family savings bonds have been offered for sale since 2016. The results are far from satisfactory. Since their introduction in the market until the end of 2018, PLN 58,319,200 worth of family bonds were sold. In Q1 2019, PLN 500,000,000 worth of 6-year family bonds were offered for sale (letter of issue no. 6/2019), as well as PLN 500,000,000 worth of 12-year family bonds (letter of issue no. 7/2019). There are approximately 2.4 million families and ca. 3.6 million children who benefit from the "Family 500+" programme (Ministry of Family, Labour and Social Policy, 2019). The low value of family savings bonds sold is primarily the effect of a limited catalogue of their potential buyers and the fact that the income of persons under the "Family 500+" programme is spent on financing the current expenses rather than on raising capital in a long-term perspective.

In summary, the nominal public debt at the end of 2015 amounted to PLN 877.3 billion, while at the end of Q32018 it reached PLN 977.9 billion. In 2015–2018, the total value of treasury securities sold was 567,700,000,000, including savings bonds for PLN 27,419,400,000, which constituted 4.83% of all securities. The nominal public debt in he examined period increased by 11.47%, whereas a significant part of income from the issued treasury securities was used for repayment of public debt incurred in the previous years and another part for repaying the current liabilities due on the interest on securities held by their purchasers.

Compared to household deposits (in banks and cooperative savings and credit unions, open pension funds, other investment funds, shares of public companies, treasury and municipal securities), which amounted to PLN 1,421,000,000,000 (in words: one trillion four hundred and twenty-one billion zlotys) on 30 September 2018, the treasury savings bonds purchased in the audited period constituted a share of 1.93%, while an important part of

 DOI 10.7172/1644-9584.83.5

this volume were short-term savings bonds issued for periods shorter than one year. Treasury securities constitute just one of the forms of capital investment by retail buyers, marginalized by investors. This can be explained by various reasons, e.g. conservative attitude of many individuals and their being used to traditional forms of investing money, insufficient knowledge of the rules of investing in debt instruments, as well as less effective advertising of savings bond offers compared to the advertisements of various banking products.

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