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## The future of corporate banking in the opinions of bankers and entrepreneurs

### Introduction

The Corporate and Investment Banking Congress (CIBC) is an initiative of the European Financial Congress (EFC), including speeches and discussions on financing and support for businesses by financial institutions. The 9th Edition of the CIBS was organized at the Warsaw Stock Exchange on 7 and 8 November 2023. Plenary speeches and debates in sessions were attended by dozens of practitioners and academics and there were 416 registered participants. One could hear in the content of the speeches an echo of the sentence, which was uttered almost a century ago by Maria Curie-Skłodowska “not to be defeated by either people or events”, quoted by the Chairman of the Program Council of the Congress Mr. Jerzy Kwiecinski.

Today, this can be neither *ex post* crisis management nor the use of widely recognized methods of strategic management or techniques for designing the future based on historical data and experience. In a turbulent and especially rapidly changing environment, management of the future is needed. Among other things, it involves flexible and dynamic thinking and, above all, innovation in decisions about the future with creative use of new technologies and consideration of the diversity of both individuals and business environments. This requires that we wisely use the maxim of George Box, who proclaimed that “all models are wrong, but some are useful”.

In the first plenary speech, Paweł Borys – President of the Polish Development Fund, outlined the main trends observed in the world of finance, pointing out that despite several turbulent years starting with the global financial crisis of the first decade of the 21st century, the year 2024 promises to be a relatively good one for the Polish banking sector. The rationale for this is, among other things, the very good

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performance of banks and also the opportunities that can be discounted through appropriate adjustments of business models, both in the short and long term, to several processes in the local, regional and global environment. These processes can even be referred to as trends. Firstly, the regionalization trend associated with supply chain shortening and decoupling, nearshoring or inshoring favoring direct investment (FDI) in Poland. Secondly, the technological revolution related to artificial intelligence (AI), which is forecast to contribute up to 40% of productivity growth while the industrial revolution is estimated to have contributed 10% and the Internet 30%. Thirdly, experts expect the end of the era of cheap money, which was emblematic of the first decades of this century (due, among other things, to a decline in liquidity in the global market). Fourthly, the challenge and sign of the coming years will be an extensive energy transition, and this will be true for both energy producers and end consumers. Inshoring processes will also be of no small importance here. Fifthly, unfavorable demographic trends (however, there may be approximately 3.5 million fewer people in Poland) must be compensated by modern technologies. Sixthly, and finally, there is a clear trend of increasing geopolitical and international tensions (e.g., in the Middle and Far East, Eastern Europe), which will force the shortening of the horizon of business assessments.

In the assumptions of the Congress Program Council, the issues of the future of corporate banking were to be considered from at least two points of view. First of all, on the basis of a thorough diagnosis and forecasting assumptions developed by banking specialists and a debate among executives of the largest banks in Poland. On the other hand, they wanted to confront the position of banks with the opinions of business managers from the real sphere. Business managers debated on “The future of corporate banking through the eyes of entrepreneurs.”

## Opinions of bankers

The speech of Ernest Pytlarczyk, Director of the Bureau of Macroeconomic Analysis of Bank Pekao S.A., who characterized selected aspects of the Report “Corporate Banking in Poland – trends and prospects”, with elements of Polish specificity, connoted the outlined synthetic vision of development in global terms.

The panel session on “The Future of Corporate Banking through the Eyes of Bankers” was featured by: Lech Gałkowski – Member of the Management Board, Head of the Business and Corporate Banking Division, Santander Bank Polska S.A., Andrzej Kopyrski – Vice President of the Management Board, supervising the Corporate and Enterprise Banking Area, PKO Bank Polski S.A., Jerzy Kwieciński – Vice President, supervising Corporate Banking, Markets and Investment Banking Division, Bank Pekao S.A., Michał Mrozek – Vice President, ING Bank Śląski S.A., Adam Pers – Vice President, Corporate and Investment Banking, mBank S.A., and Agnieszka Wolska, Vice President, BNP Paribas Bank Polska S.A.

The participants in the debate were asked to make statements with reference to both plenary speeches by P. Borys and E. Pytlarczyk, keeping in mind the thesis of Nobel laureate I. Pavlov that “in theory, fact is always king and before fact one should bow.”

Agnieszka Wolska, in her speech, pointed out that corporate banking in Poland has interesting solutions even for foreign banks, stressing, however, that the canon of the BNP Paribas corporate banking model is the mix of customer needs and business efficiency. She added that since exports generate 63% of GDP and foreign-owned companies generate as much as 40% of GDP, banks meeting the demand for financial services must be active in at least the European area.

For the BNP Group, the ESG trend creates the potential for competitive advantage and is a major driver of growth in the European Union and companies in Poland. In the modern business environment, it is necessary for a bank to contribute to the value protection, and although regulations are not particularly comfortable for credit institutions in this aspect they are beneficial for customers. This is why, hedging techniques are being developed, either to protect acquired assets from sudden or unexpected losses, or to provide greater flexibility so that positions can be held even when they would otherwise have to be closed at a significant loss (e.g. bond hedge, commodity hedge, interest rate hedging). In this case, the bank becomes the client’s partner in protecting value. In the Polish capital market, bank support for succession in family businesses will become increasingly important. This will require integrating both local competencies and the SME, Corporate and Private Banking business lines, accompanying clients in strategic decision-making. On top of these substantive requirements, it will be necessary to impose a cost efficiency filter using modern technology. At the same time, it is impossible to do everything on one’s own in a bank supporting oneself with external entities for effective standardization, customization, learning from the best and adapting best practices, especially leading technology companies. On the other hand, the skillful use of these determinants to offer the customer effective satisfaction of needs will constitute a peculiar act of art.

Adam Pers, noting the race of banks to serve needs of customers better and better, stressed that the trends mentioned earlier (e.g., nearshoring, AI) or the great need for infrastructure investments are opportunities for the banking sector, without which neither the energy transition nor the construction of road networks or rail routes will be possible. In this context, the real shrinkage of banks’ capitals in recent years, both as a result of inflation and the acquisition of Treasury bonds, should be considered negative. This process may also have undesirable consequences in the case of pre-financing investments that are to benefit from EU funds. The demand for bank credit financing is also inshoring processes, especially intense after the experience of breaking the supply chain with China. Hence, in general, there is a need for a climate and regulations that allow banks to expand their capitals, especially when considering the assets of the Polish banking sector in relation to GDP and comparisons to developed countries.

Michał Mrózek agreed with the tenor of the previous statements, comparing the banks' activities to sailing on a rough sea, especially in terms of risk management and customer development support. He also appealed to take an occasional glance in the rear view mirror. This will make it easier to understand that not everything has the same evaluation over time:

- due to geopolitical processes or geoeconomics (e.g., the popularity of globalization vs. the need to shorten the supply chain);
- the issue of banks entering the role of advisors (e.g., using the experience of international capital groups);
- the emergence of new functionalities or divisions in banks (e.g., working capital solutions).

Changing social needs and attitudes, both globally or internationally but also domestically, also need to be adequately addressed. The following can be considered essential here:

- regulatory interference and prudential requirements, benchmarks (e.g., WIBOR, WIRON);
- symmetry of the interests of the individual customer and the bank;
- the concept of sustainability and environmental transformation;
- finally, simply the expectation and preference for stability.

Of capital importance is already and will be increasingly important technological revolution in a number of aspects.

So as to meet these challenges it is not only necessary to seek capital, but also to modify business models. Just one instructive example. The financing of one offshore wind farm costs an amount of about 4 billion euros and there are supposed to be 8–9 such farms in Poland. For the realization of such projects there is a need to revise operational models and discourse with the regulator, both national and EU.

Jerzy Kwiecinski agreed with the trends outlined in the Paweł Borys' speech, emphasizing that in the past 30 years we have come out of problems better than forecast. Paradoxically, high inflation, harmful to the socio-economic system, allowed banks to improve their results. At Bank Pekao, the result for 2023 will probably be a record, but with the reduction of interest rates, there will be risks and it will be necessary to actively look for ways to generate income. One must also bear in mind that the Polish banking sector is relatively small (relative to GDP) and weak from the financing large investment projects point of view. And what constitutes its weakness may symmetrically be advantageous in a situation of rapid changes in the parameters of bank operations. The Polish financial market is mainly a bank debt market and not an equity market. Anyway, it can be argued that in some aspect the Polish banking sector has regressed and its balance sheet total has fallen below 90% of GDP, when in many EU countries it is much higher. It can be assumed that this calls for greater involvement of the banking sector in the capital market despite the resistance of the Polish Banking Authority (KNF) due to the risks involved. The distant position of Poland in the share of corporate R&D expenditures and at

the same time a higher growth rate than in countries, where the rate of resource allocation to R&D is much higher, also needs to be explained and properly addressed.

In the broad spectrum of issues of the future of corporate banking, the importance of ESG issues must be properly emphasized. This is especially evident when dealing with foreign partners or competitors. Therefore, if we do not adequately address this matter in the Polish banking sector someone else will take care of it business-wise. Similarly, as other banks perceive it, an urgent and important challenge is to follow the financial service needs of customers conducting expansions to foreign markets. The more than 60% share of exports in GDP is a strong and credible indication of this. If such needs are not adequately serviced by the Polish banks then revenues will “flee” abroad. As for the technological and especially IT revolution, one must take into account the circumstance that we have a kind of surplus of importance when it comes to IT personnel in the CEE region (much better than in the US). This is an opportunity factor to be exploited. But for this to happen, it is necessary to go beyond our own banking “bubble” in the discussion.

Andrzej Kopyrski began with an optimistic attitude to the future of corporate banking, as he assumes that this one appeals to a much greater extent than retail banking to the human-to-human relationship, regardless of the excellent support of the transaction process with solutions based on modern technologies. PKO BP, taking advantage of its good financial situation, related, among other things, to relatively high interest rates, is investing heavily in state-of-the-art technologies to the tune of about PLN 1 billion. This is also due to the fact that ‘tech-is-friend’, because it enables the collection and analysis of large databases, helpful in forecasting the future, with AI being able to play a significant role in estimating needs and risks with cognition and addressing customer preferences.

In the second thread, more from the perspective of investors, there was a thesis about the growing role of corporate banking in the valorization of banks. Data from the Pekao Report shows that the retail banking sector grew very well, but treating the customer as a consumer contributed to the materialization of non-liquid risks. Therefore, it is important to maintain a certain balance between the retail and corporate components. Especially, since the vast majority of commercial banks in Poland are universal banks with a strong corporate component. This, in turn, hits fertile ground with equity investors. This indicates that two legs, both retail and corporate, are and will be needed in banking, not only now for balance. The third thread highlights the issue of catching up with lagging foreign expansion. It’s both about “following the customers” and not getting locked in a “beautiful little local aquarium,” this allows one to get an idea of the novelties in the foreign environment and adapt them to the bank’s services. Such projects are currently being undertaken by PKO BP and this is important not only for serving customers abroad, but especially for domestic banks playing a key role in stimulating product development and dissemination in the local market. Due to their market position and financing potential, PKO BP and Pekao have an approximately 50% share in corporate banking, hence expansion must be seen in the development of M&A

transactions that appear on the domestic market. PKO BP will implement them, in a certain time perspective, only in the regional market, and as for the global market we will see. Fourthly, as far as the level of bank financing of the economy is concerned, Poland is located more or less in the middle of the average level for the EU, which has its negative sides, but there are also advantages, since customers do not have such exposure to interest rate changes or turbulence in the banking market, which allows companies to maintain greater financial autonomy from these processes. Fifthly, we are facing great challenges in developing the capital market, as evidenced by the annual debates at the CIBC. However, it has been difficult to develop this segment of the financial market, especially the debt market, under conditions of structural over-liquidity, where all issues of securities or bonds first went to the balance sheets of banks, and only in the second place did they go to the market – and in those banks that were able to effectively manage their exposure. Given the estimates of investment needs, an opportunity and a need open up for the development of this market to be properly stimulated. Symptoms of this can also be seen on the Warsaw Stock Exchange, as mentioned by President Izabela Olszewska in her welcome speech. The example of POLSAT's recent issue, which was well structured and placed on the market, can also be cited here. PKO BP has the team, the potential and the customers, whom we are educating on how to use the capital market and how to combine financing needs through equity and credit instruments. The bank must take the initiative.

Lech Gałkowski began his speech with a rhetorical question: "What is corporate banking for?". In response, he said that to help customers grow and this is a guarantee that banks will need for many years to come. Especially in Poland, where most companies are relatively small hence banks need to grow with their customers in the development processes. In the paradigm that customers come first, one must be able to respond to their expectations of convenient banking, i.e. easy, cheap and pleasant, as well as self-service. This requires symmetry between the customer and the bank, and in relation to Santander Bank Poland such a philosophy is implemented better than in other locations in Europe. In order to provide the best services, you need to have appropriately competent staff, and in the market we compete for talents. A comparison of the strategies of the banks included in the previously presented Pekao Report shows that they are almost twinned. And if at present the easily observable differentiating factor for banks in Poland is the level of technological sophistication, then in a relatively short time horizon these differences can be expected to disappear. In contrast, an internal factor of competitive advantage will be the treatment of human resources.

Among other things, SLIDO responses to the Internet audience indicated that there is no contradiction or conflict between intensive development of technology and preservation of relationality, with relationality (version 2.0) being and will be more important – even in the long horizon – in corporate banking than in retail banking.

When asked about the peculiar counterpoint of the ca 20% solvency ratio and the constraints on financing investment needs in Poland, the panelists pointed to

the uneven distribution of this ratio across banks and also to the Polish Banking Authority approach to the value of this ratio, where an excess over the minimum required level does not easily imply the possibility of credit growth. There are also issues of capital buffers and also the question of the scale of financing of large or major projects. In the latter aspect, there has been some divergence of positions, particularly on the issue of loan syndications or syndication of large-value loans. In the case of PKO BP, no significant limitations were seen in lending to relatively large investment projects, which in the past have been organized in the form of loan syndicates, provided they are good business projects. (For example, financing the construction of nuclear power plants or, to some extent, large offshore wind farms has been identified as an exception). With regard to such large-scale projects, an appropriate role falls to those domestic banks that belong to foreign banking groups, which can arrange financing, structure and then syndicate it accordingly. An example is Citi Bank's activity in arranging financing for energy transition projects or offshore wind farms in Poland. New forms of cooperation between domestic and foreign banks will be needed here, with an appropriate division of tasks arising from, on the one hand, knowledge of the client and the market and, on the other hand, the ability to arrange and structure financing. In this context, the problem of capitalization of banks and its attractiveness to investors rather than relying mainly on retained earnings was raised. There were also calls to move away from the club deal model to diversified methods and advanced financial engineering, but the condition for this is to reduce the fetish of balance sheet value by putting transactions on the bank book. There is a need for activity in the sphere of dedicated (to the situation of the enterprise and normative and real conditions) composition of financing needs of enterprises. This includes developing the concept of cooperation with customers, with an educational component, which the Americans called "originate-to-distribute".

### Opinions of entrepreneurs

The positions of bankers regarding the corporate future were confronted with statements from representatives of the real economy in a Congress panel titled "The Future of Corporate Banking through the Eyes of Entrepreneurs," which included Filip Kuropatwa – Vice President for Finance of UNIMOT S.A. – fuel and energy group; Robert Ostrowski – Deputy President of the Management Board for Economic Affairs of Jastrzębska Spółka Węglowa, the largest producer of hard coking coal in the EU; Małgorzata Winiarek-Gajewska – President of the Management Board of NDI Group – a capital group operating in the construction sector; Piotr Woźny – President of the Management Board of Zespół Elektrowni Patnów-Adamów-Konin (ZE PAK) three lignite- and biomass-fired district heating plants in the Konin Basin; Beata Żaczek – Vice President of the Management Board of the PEKABEX Group – specializing in system construction in Poland and Scandinavia, with five factories in Poland and one factory in Germany; and Adam Żołnowski – CFO, Member of



the Management Board of BALTIC HUB – a container terminal in Gdańsk with huge handling capacity. Statements by representatives of entrepreneurs focused primarily on issues of meeting their needs for bank financing and elements of the development forecast for the industry they represented.

The panelists had access to the Bank Pekao Report and were briefed on the main themes of the bankers' statements on the future of corporate banking.

Malgorzata Winiarek-Gajewska said that experience shows that “the construction industry is not liked in the Polish banking sector” despite the fact that it generates more than 10% of GDP, and forecasts – not only the Bank Pekao Report – show that investments worth hundreds of billions of zlotys relate mainly to activities involving companies in the construction sector. Colloquially, the expectations of entities in this sector from banks expresses a wish: “they would like to be comfortable”. And this means, among other things, parallel development of the activities of enterprises in this industry and a banking offer adapted to this development, taking into account cost and financial considerations. Optimistic that the banks' declarations emphasized the development of corporate banking, i.e. no longer the question “if?” but “how?”. The key is to remove the asymmetry of looking at projects. Assuming that the implementation of ESG concepts and regulations is unquestionable, it cannot be overlooked that for the company it involves additional costs, in a highly competitive market. This aspect is not respected by banks. On the other hand, the possible foreign expansion of construction companies, due to ESG standards, among other things, requires an adequate capital base, both: own and leveraged from external sources. However, both now and in the foreseeable future, “construction has robots up to its ears” in the country. In contrast, a lack of financial support from banks, using a variety of financial instruments, could mean the loss of contracts to foreign competitors. Sometimes this includes making settlements between the credited company and the bank more flexible. An illustration can be the “Polish Deal” program dedicated mainly to local governments, financed with the participation of Bank Gospodarstwa Krajowego – state bank (BGK). The value of projects in this program is relatively high. However, according to the Program, payments are divided into two and at most three tranches, over the life of the project. In turn, typical settlements with banks take place at monthly intervals. Credit for such projects has been sought from banks, including BGK, but without success. The inadequacy of the typical repayment schedules and tranches provided for by the Program was a key factor in the banks' lack of interest in financing these investments.

An important constraint on Polish construction companies undertaking large contracts is also the lack of long-term contracts (e.g., 15-year public guarantees). Such a product for the construction industry does not exist.

All of this points to the need for greater systemic integration of the practice's needs for investments, including transformational or infrastructure investments, legal regulations, the capabilities and interests of banks and the capabilities and interests of construction companies. In other words, the key problem is “how to organize this



in the daily business life”, in line with making the client comfortable and being able to count on the banks’ support in solving the problems encountered. Symptoms of optimism are emerging from the ideas being referred to at this Congress by bankers.

Beata Źaczek stressed that about one quarter of PEKABEX’s revenue comes from foreign contracts, and the Company uses the services of a number of banks on the Polish market. Unfortunately, the problem so far is the reduction of financing when the symptoms of crisis appear, which can be described somewhat sarcastically with the comparison that banks provide an umbrella when the sun shines. This could be assessed as a pro-cyclical activity of banks.

An unusual situation for Polish banks is the circumstance that PEKABEX has a factory in Germany, for which it is the so-called parent company. This situation requires financing that is atypical for companies in Poland and more diversified, taking into account the original ideas with which PEKABEX comes out on the German market. Unfortunately, it is neither easy nor pleasant to obtain adequate financing. Also related to the issue of foreign expansion of Polish companies is the potential participation in the reconstruction of Ukraine and doing business there. Leaving aside the large scale of uncertainty, companies are humanly afraid of possible involvement, as they are unfamiliar with the specifics of the market and would like to be able to count on the support of banks both: in terms of payments and liquidity. It seems that such and similar challenges will not be solved in the foreseeable future by AI, which will not be able to replace the “human-to-human” relationship that we will need for a long time to come.

Filip Kuropatwa – the complexity of the portfolio of products and services and the breadth of M&A projects makes us an atypical customer (standard from operational service to M&A) and here we have service, but we are also a trader when we require spec products with high leverage and risk. Even more so with relatively low margins. We are also looking for trade finance related to energy where you also need a legal infrastructure since it bothers us from the of collateral for banks point of view and Swiss or London banks are included. We are looking with hope and desire to develop new business in energy transition and transportation of energy sources. This will require a customized approach by the banks and without a briefing. Legislation will not be able to move forward. It will take ideas, expertise and highly leveraged trade finance.

Robert Ostrowski – Jastrzębska Spółka Węglowa (JSW) belongs to the mining industry (disliked by banks) and coal industry (passe according to banks), but with high specificity. JSW produces coking coal necessary for steel production, not thermal coal. The Polish financial market has understood this, while foreign banks still do not understand this specificity and the value chain in which we operate. We have been applying to Polish and foreign banks to obtain credit based on ESG goals, guaranteeing JSW’s continued growth while meeting the ambitious climate transformation goals enshrined in our strategy. Foreign banks have refused to provide us with credit already at the initial stage of analyzing the applications, without giving any reasons, despite the fact that it contradicts their strategies. Discussions with Polish banks lasted several months and ended with the signing of

an agreement. We obtained syndicated financing – banks and financial institutions – under the sustainability linked-loan formula as the first entity in the mining sector in Central and Eastern Europe (PLN 1.65 billion). In addition, we managed to incorporate into the financing of the so-called green part a new hedging instrument with a guarantee from the Export Credit Insurance Corporation for the environmental part. This appeared for the first time on the market, and thanks to this we are forerunners, which proves the development of banking products.

Customization of the banking sector for customers is important, but banks must first of all understand the company's profile in terms of ESG, as financial criteria are not enough. This requires industry and customer-specific knowledge as a condition for broader lending of their investments, and especially to move to the next stage of application processing in foreign banks, after basic quantitative analysis by bank analysts. Cyber-security is another important issue, it is necessary to ensure the security of trading at a high level in cooperation with customers.

In Piotr Woźny's opinion, the issues of financing the energy transition should be considered taking into account the legacy of the centrally planned economy in the energy sector in the People's Republic of Poland. The six regions formed at that time, in which systemically important power plants were built in close proximity to coal deposits in the two decades between 1960 and 1980, are now a serious constraint on the energy transition both technological and financial. First of all, the specifics of these power plants mean that they were designed for constant energy production capacity 24 hours a day and their technical characteristics do not, in principle, allow for the flexibility of energy supply required today, due to the increasing shares of energy from wind turbines and photovoltaic cells. Already, at certain times there are cases when professional energy producers are ready to pay consumers for the surplus they have in the system (negative energy price). If the scenario of Poland's exit from the EU is not to be realized, and the chances of renegotiating the EU ETS (European Emissions Trading Scheme) are almost nil, we face dramatic technical and financial challenges of building an alternative energy system that meets European standards. Secondly, the transformation and building of an alternative system requires complex decarbonization projects, innovative system coordination and huge financial investments. Among other things, it involves managing the time-temperature imbalance (fluctuations during the day and in the seasons due to weather peculiarities or the solar cycle) and the structural imbalance of energy capacity, taking into account the gradual phasing out of classic coal-fired power plants, stabilizing the system's energy capacity (power plants, wind turbine energy and photovoltaic energy) and taking into account the fluctuations in the demand of the entire spectrum of consumers. Current RES projects, without innovative solutions for storing surplus energy, the imbalance indicated above will further exacerbate. This, in itself, may pose a risk to entities financing of these installations. And at the same time, the needs for organizing an alternative energy system are gigantic, and there are many indications that without cooperation within the triad of state institutions-producers/prosumers and financial institutions with appropriate legislation, the threatened crisis will not be solved.

Under these conditions, Zespół Elektrowni Pątnów-Adamów-Konin (Group of Power Stations Pątnów-Adamów-Konin – ZE PAK) is working to end the burning of coal in its power plants by the end of 2024 and replace it with other energy sources, especially gas and biomass. Unfortunately, the necessities arising from both environmental needs and EU climate regulations do not meet with an adequate supply structure for the expenditures financing of such a transformation.

ZE PAK, taking into account the imbalance in the capacity of wind turbines and photovoltaics, is developing a network of the former, taking into account, moreover, that in the Polish climate the efficiency of the capacity installed in “windmills” is greater (winds throughout the year and also during periods when the sun does not shine) and more capital-intensive (the cost of the turbine and the land).

ZE PAK is also developing hydrogen plants, but only with its own funds, but seeking financing from domestic or EU public funds. Banks will not be ready to finance these projects for a long time to come.

As for nuclear power, first of all, the Polish state needs to answer the question of what the nuclear financing model will be (e.g., contracts for difference as in the UK). Wind farms and PSBs fit perfectly into the system. Previously, there were hopes for external funds from the EU (not a single Euro or public zloty was paid for the energy transition in Eastern Greater Poland). Currently, a project is being prepared to build a gas power plant with a capacity of 600 Mega Watt, which is needed to stabilize the system. Older systems will soon cease to function because they were not designed for current conditions. Classic financing is OK and there is much to be done on innovative issues. In response to the formulated problems of bank financing of the energy transition, a representative of Pekao Bank declared that the Bank is ready to negotiate financing for projects that appear unbanked.

Adam Żołnowski – stressed that on the success of the BALTIC HUB project, the State Treasury earned about PLN 8.5 billion from customs, VAT and excise duties in 2022 alone. An interesting fact, however, is that there was practically no interest from Polish banks in financing the Terminal 1 project, as it was implemented under the project finance formula. The initiators went for funds to foreign banks, which financed the investment charging high margins appropriate to the risk. Investment in Terminal 2 was already easier, because it was possible to reduce the risk of this project with the revenues generated by the already operating Terminal 1. There was no problem with financing Terminal 3, despite the fact that the process of raising capital took place during the pandemic. This was because investors fully understood that in order to obtain financing, including the selection of the most favorable offer, it was necessary to interest financial institutions not only in the domestic market, but also in the global market in the project, and in various formulas, including the private placement option.

Nevertheless, in the context of the expected capital deficit in the Polish financial market, there is a risk that in the future banks in Poland will choose only lucrative projects, i.e. those with low risk and high margins. This may perpetuate the tendency to seek capital abroad.

Regarding the challenges of in- or near-shoring, the situation is ambiguous. On the one hand, in the short term and in the absence of administrative interference of the sanction type, the chances for the development of transshipment services are very good. In the context of the conflict in Ukraine and the change in the direction of cargo streams until the Ukrainian Black Sea ports are rebuilt, the prospects for transshipment in Polish ports, including in particular Gdańsk, are bright. On the other hand, the risk of regional autarky tendencies must be treated as a threat. However, there are many indications that such a risk must be considered in the medium or even long term.

### Concluding remarks

A comparison of the scenarios outlined by representatives of the managements of Poland's largest banks on the future of corporate banking with the opinions of the managements of large companies in various industries from the perspective of meeting their needs for financing investment projects allows several conclusions to be drawn:

- 1) The various industries of the real economy are not treated equally by banks, especially in terms of financing investment projects.
- 2) The universal nature of commercial banks in Poland (including in terms of financing different industries or types of businesses) and the increasing specificity of the activities of business entities contribute to problems in assessing the nature and effectiveness of business projects and limit their financing.
- 3) Businesses face problems in the long-term financing of projects, especially those with high expenditures and a long investment cycle, and those for which guarantees cannot be obtained from specialized public institutions.
- 4) It is necessary to make the banks' approach to the economic situation more flexible for borrowers and support them in periods of turbulence and not just offer an "umbrella when the weather is sunny".
- 5) The problem of more favorable conditions for financing enterprise projects by foreign financial institutions compared to the offers of domestic banks needs to be solved.
- 6) Modern financial engineering solutions are not sufficiently popularized or known to entrepreneurs.
- 7) Banks and banking-related institutions do not satisfactorily use the information needed to evaluate non-standard projects or financial advice.
- 8) System-preferred solutions to ESG concepts and sustainability more broadly are not adequately instrumented by bank regulations or procedures.
- 9) Large energy transition programs require effective cooperation between state institutions, producers and distributors of raw materials or energy, and financial institutions.
- 10) The development of production or service technologies, banking technologies, including advanced financial engineering require the security of economic transactions, the cultivation and development of direct relations between bank and customer representatives, to a degree higher than in retail banking.