

UK  
TRADE &  
INVESTMENT



# *WHY TRADE WITH POLAND?*

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# Why Poland ?

## Competitive Advantages

- Strategic location
- Strong economy (Poland has been developing twice as fast as Western Europe)
- Largest allocation of EU funds
- Huge domestic market  $\Rightarrow$  38 million consumers
- 250 million people within a 1000 km radius
- Young, well-educated work force
- 2 million of university students - the number steadily rising
- Vast experience in trade with Eastern Europe

# Poland's Strategic Location



- The very heart of Europe
- In size 6th largest country in EU (312,685 km<sup>2</sup>)
- Gateway to other Central and Eastern European countries
- Location on four European transit routes: North–South and East–West
- 520 km coastline on the Baltic Sea

# Poland's Strategic Location

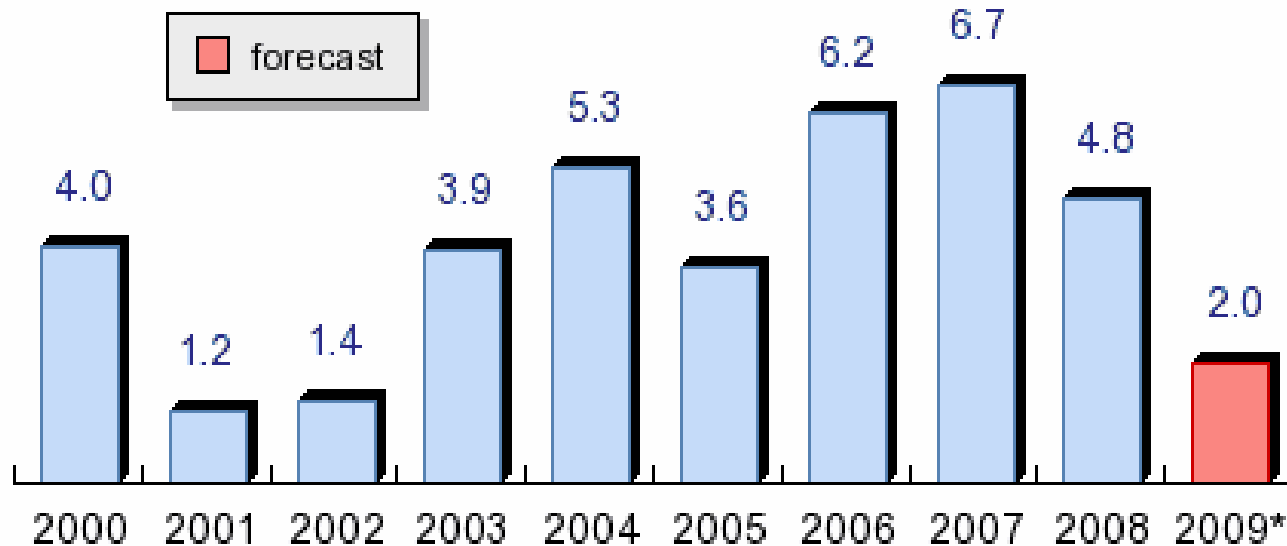


- 16 regions - voivodships
- Warsaw - the biggest city (1.7m)
- Major cities spread out all over Poland
- 42 cities with ca.100,000 inhabitants
- Distances: 2.5 hrs by air from London, 9 hrs to New York

# Poland's Economy

- **one of the fastest growing in Europe**

**GDP growth in years 2000-2009 (%)**



\* European Commission's forecast

Source: Central Statistical Office(GUS), Ministry of Finance, European Commission

**GDP growth in 2004-2008 more than double EU average of 2.3%**

**2009 GDP growth still predicted positive (while EU average predicted at - 1.8%)**

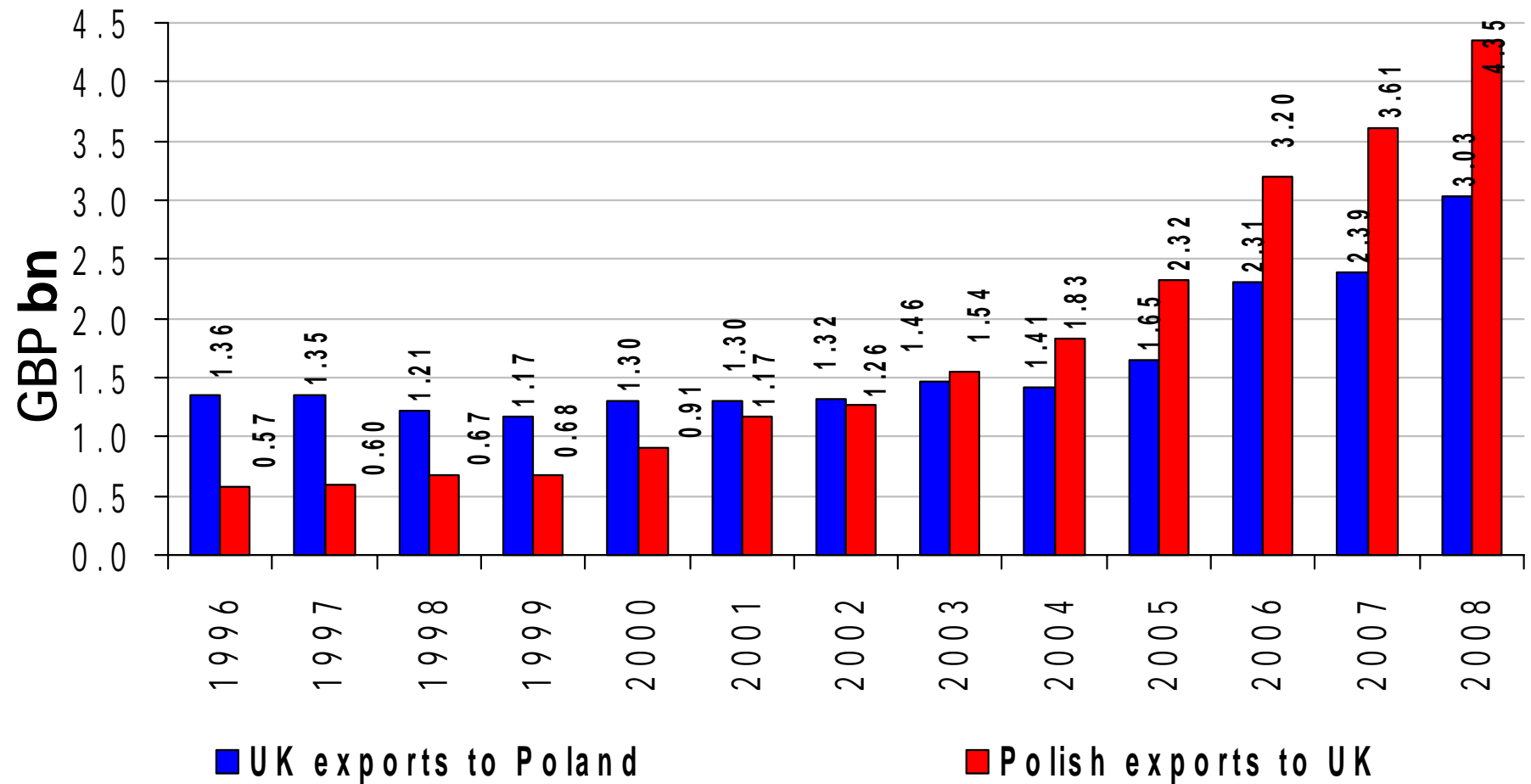
# Basic Numbers & Facts

- Inflation: 4% (April 2009)
- Unemployment rate: 11% (April 2009)
- Growing exports: EUR 114.6bn in 2008 (77.5% go to the EU incl. 5.7 % to the UK)
- Growing imports: EUR 140bn in 2008 (61.4% go to the EU incl. 2.8% from the UK)
- Average monthly pay: £636 (2008)
- Polish currency is the zloty (£1 = PLN 5)
- CIT: 19% - one of the lowest in Europe

# Poles - one of the Europe's youngest societies

- About half of all Poles are below the age of 35 and professionally active:
  - √ 8.3m in the service sector
  - √ 4.7m in the industry and construction
  - √ 2.2m in agriculture and forestry
- Very enterprising and resourceful nation
- High qualifications based on solid education

# Trade between UK & Poland



In 2008 Poland ranked **17th important export market** for the UK (compared to 26th place in 2005) in terms of global trade partners and **UK's largest export market in Central and Eastern Europe**

## UK exports to Poland:

- food & drink
- automotive
- construction machinery & equipment
- chemical / pharmaceutical

## Polish exports to the UK:

- food & drink
- automotive
- skin care & cosmetics
- furniture

## Impact of the 5-year accession:

- boosted the economy
- significantly increased and diversified Polish exports
- gave access to Western European markets
- opened labour markets (flow of people)
- increased wages
- decreased unemployment
- made Polish people wealthier ⇒ bigger spending power
- upgraded the infrastructure in Polish cities and regions

## Impact of the 5-year accession in numbers:

- EUR 29.5bn granted from EU budget (EUR 775 per 1 inhabitant)
- 2.7% average annual GDP growth in 2000-2003 while in 2004-2008 it rose to 5.3%
- Unemployment fell from 19.6% in May'04 to 11% now
- 1.3 million Poles working in various EU states
- Average monthly pay: £666 in March' 09 against £470 in May' 04
- 425.5 km of new roads constructed
- 700 km of train tracks laid

## The largest recipient of EU funds

### Over EUR 67bn EU funds for 2007-2013

- Over 40% for transport infrastructure development



1,000 km motorways, 2,000 km express roads, 428km ring-roads

- Almost EUR 10bn for the construction & modernisation of railways, railway stations and purchase of rolling stock
- EUR 370m for development of regional airports
- EU allocations also for: R&D, innovation, human resources, new investments

# Poland - the largest construction site in Europe

Infrastructure investments accelerated by  
**EURO 2012 Football Championships**



**almost 300 investment projects**  
in connection with EURO 2012  
including the stadia construction / modernisation in 4 cities

# Poland & Recession

- Not immune from global crisis BUT govt still forecasting GDP growth
- Poland's economy- strongest in the CEE region
- Economy fundamentally strong - Poland and the IMF
- Inflation- in April 2009 - 4% but, expected to decline below 3% in June

# Investment in Poland

- In 2008, FDI amounted to EUR 11 billion
- Poland - still an attractive investment location in the region

According to Ernst & Young European Attractiveness Survey 2008, Poland has been ranked **the most attractive destination for new foreign investment in Europe**

- 14 Special Economic Zones (SEZ)
- Polish Investment Agency ([www.paiz.gov.pl](http://www.paiz.gov.pl))

# Leading Foreign Investors

- France Telecom
- Fiat
- VW, General Motors
- HVB, Citigroup
- Gazprom
- Vattenfall
- LNM Holdings
- Metro Group
- LG Electronics
- HP
- **Tesco**
- **BP, Shell**
- **Pilkington**
- **GlaxoSmithKline**
- **AVIVA**
- **HSBC**
- **Imperial Tobacco/BAT**
- **Unilever, Cadbury**
- **Parkridge**

# Sectoral Opportunities

## EURO 2012

- Sports & Leisure Infrastructure
- Security (Equipment)
- Rail
- Public-Private Partnerships
- Science & Technology
- Education & Skills
- Power
- Water
- Advanced Engineering

- Sectoral missions and events
- Market briefing, regulatory questions
- UKTI web-site input: business opportunities, sectoral market information, useful guides
- Overseas Market Introduction Service (OMIS):
  - customer/partner search
  - “warmed up” contacts
  - programme arranging
  - market research
  - seminars
  - promotional events e.g. dinners, receptions, press conferences, tabletop exhibitions, product launches

# Contact Us

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