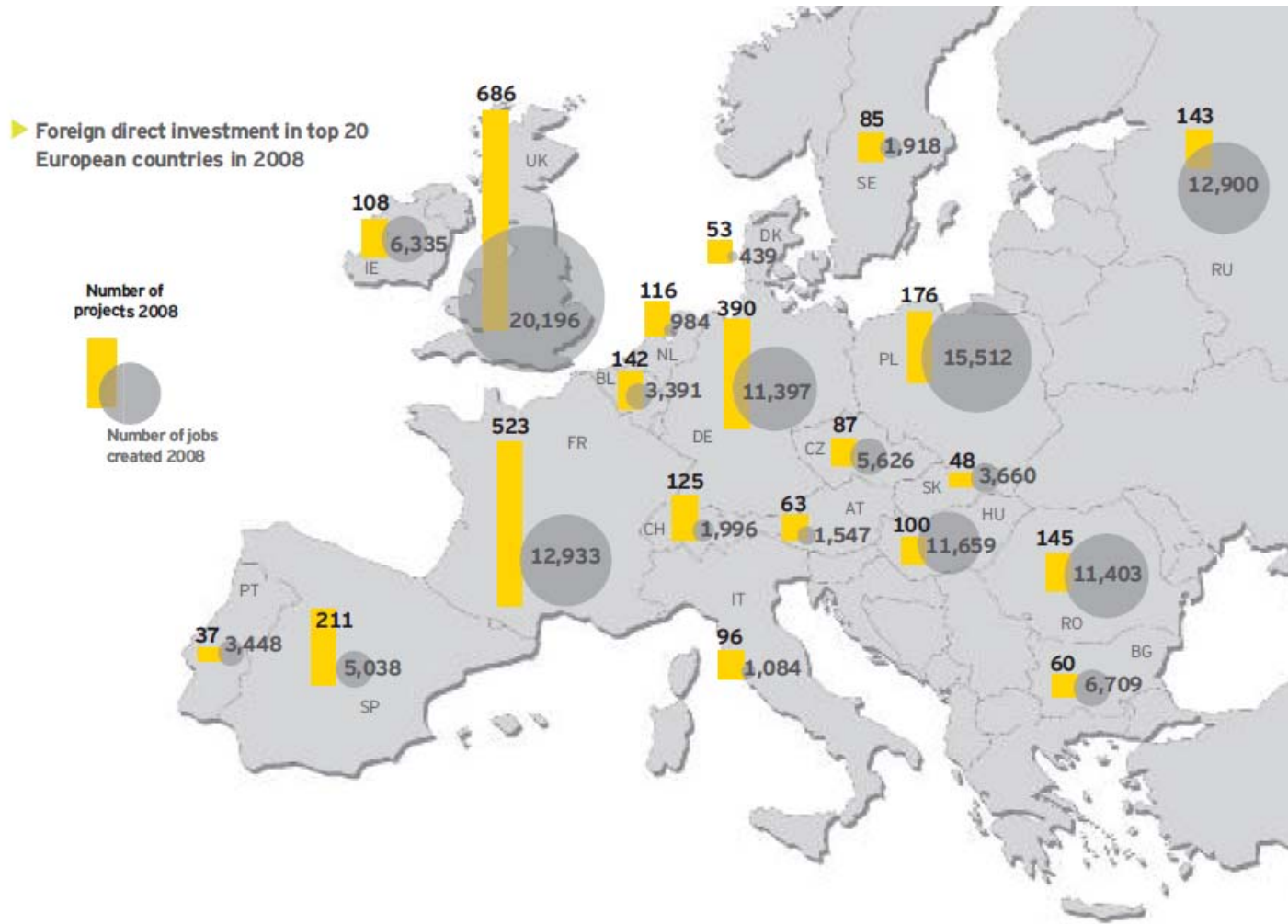


# Investment and other opportunities in Poland

A presentation by Nigel Adams  
at the EMITA seminar on  
Partnering with Poland  
Loughborough, 10 June 2009

# Foreign Investment in Europe



Source: Ernst & Young European investment monitor 2009

# Jobs created by FDI in 2008

	Country	2007	Share 2007	2008	Share 2008	Trend 2007-2008
1	United Kingdom	24,186	14%	20,196	14%	-16%
2	Poland	18,399	10%	15,512	10%	-16%
3	France	14,488	8%	12,933	9%	-11%
4	Russia	14,934	8%	12,900	9%	-14%
5	Hungary	11,104	6%	11,659	8%	5%
6	Romania	12,464	7%	11,403	8%	-9%
7	Germany	5,972	3%	11,397	8%	91%
8	Bulgaria	3,096	2%	6,709	5%	117%
9	Ireland	4,052	2%	6,335	4%	56%
10	Czech Republic	15,102	9%	5,626	4%	-63%
11	Spain	7,335	4%	5,038	3%	-31%
12	Slovakia	8,479	5%	3,660	2%	-57%
13	Portugal	4,045	2%	3,448	2%	-15%
14	Belgium	4,379	2%	3,391	2%	-23%
15	Serbia	5,484	3%	3,063	2%	-44%
	Other	23,032	13%	15,063	10%	-35%
	<b>Grand Total</b>	<b>176,551</b>	<b>100%</b>	<b>148,333</b>	<b>100%</b>	<b>-16%</b>

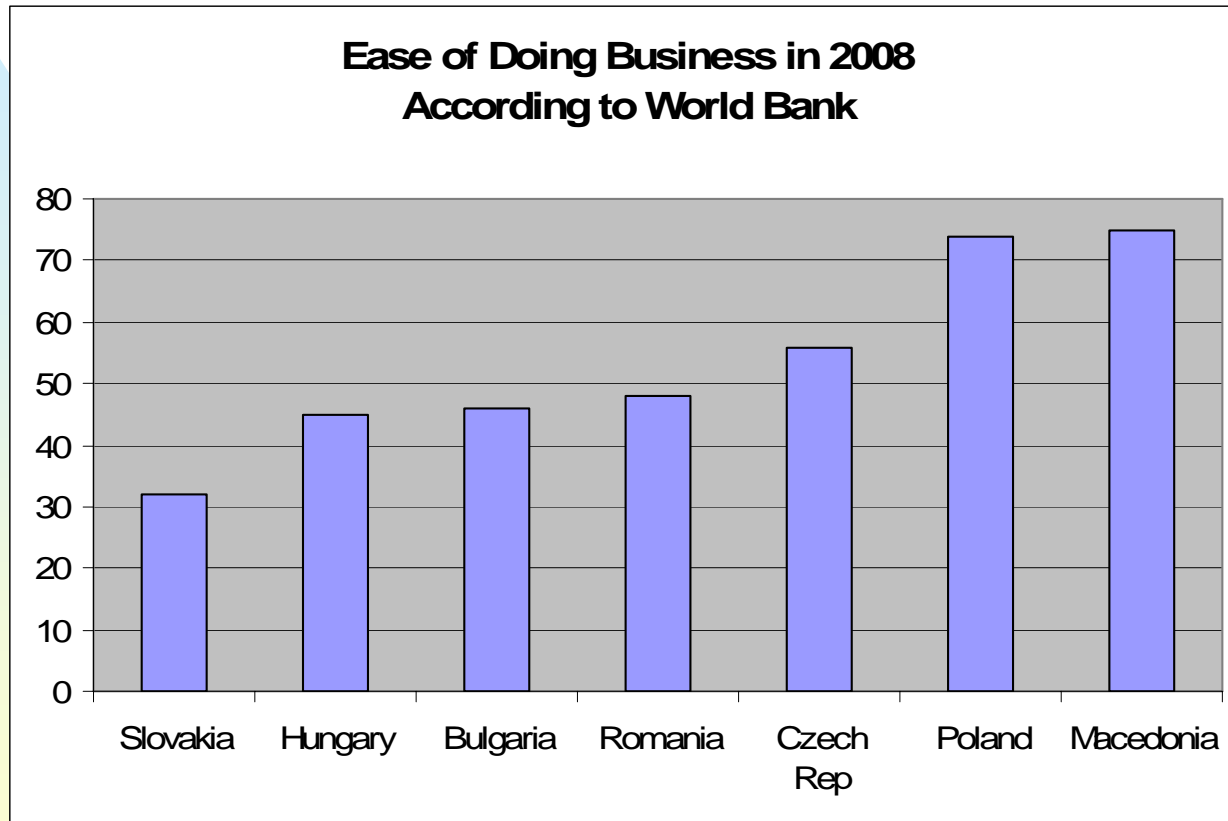
Source: Ernst & Young European investment monitor 2009

# Investment Projects in 2008

	Country	2007	Share 2007	2008	Share 2008	Trend 2007-2008
1	United Kingdom	713	19%	686	18%	-4%
2	France	541	15%	523	14%	-3%
3	Germany	305	8%	390	10%	28%
4	Spain	256	7%	211	6%	-18%
5	Poland	146	4%	176	5%	21%
6	Romania	150	4%	145	4%	-3%
7	Russia	139	4%	143	4%	3%
8	Belgium	175	5%	142	4%	-19%
9	Switzerland	124	3%	125	3%	1%
10	Netherlands	123	3%	116	3%	-6%
11	Ireland	80	2%	108	3%	35%
12	Hungary	135	4%	100	3%	-26%
13	Italy	69	2%	96	3%	39%
14	Czech Republic	83	2%	87	2%	5%
15	Sweden	81	2%	85	2%	5%
	Other	592	16%	585	16%	-1%
	<b>Grand Total</b>	<b>3,712</b>	<b>100%</b>	<b>3,718</b>	<b>100%</b>	<b>0%</b>

Source: Ernst & Young European investment monitor 2009

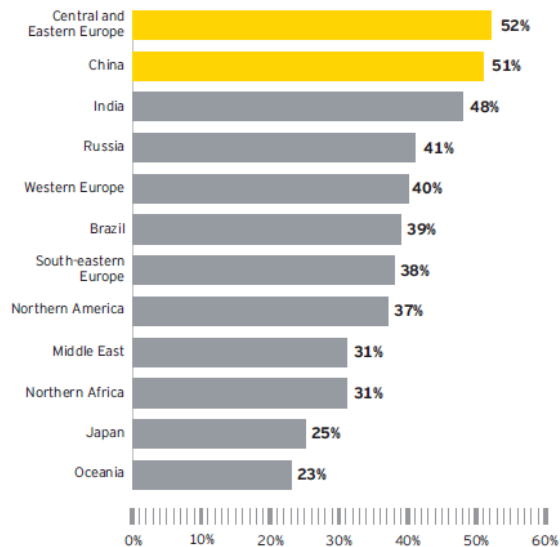
# Ease of doing business



The lower the ranking the easier to do business

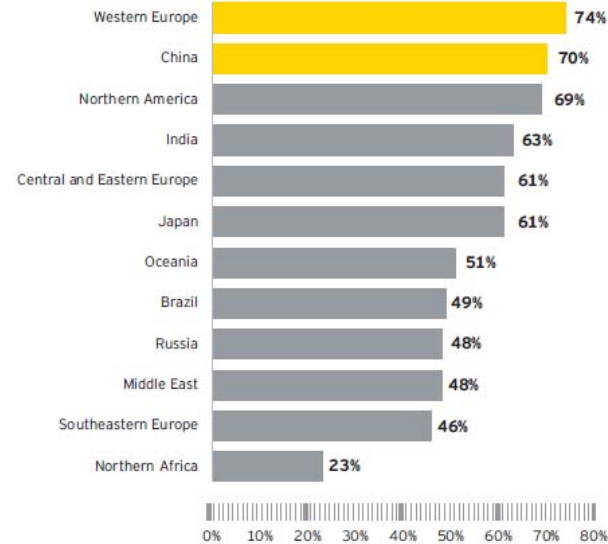
# Future FDI Intentions

## ► Most attractive regions over the next 3 years



Source: Ernst & Young's 2009 European attractiveness survey  
 Respondents: 809 international business leaders  
 Total > 100% many possible answers

## ► Confidence in the ability of these regions to address the current economic crisis



Source: Ernst & Young's 2009 European attractiveness survey  
 Respondents: 809 international business leaders -  
 Total > 100% many possible answers

Ernst & Young's 2009 European attractiveness survey

# Poland



Source: CIA, BBC and British Polish Chamber of Commerce

**Area:** 312,685 sq km

**Population:** 38.5 million

**Av pay:** £666/mth (March 2009)

**Corporate tax rate:** 19%

**Inflation:** 4.0% (April 2009)

**Unemployment:** 11.0% (2009)

**Growth rate:** 2.0% (2009 Fcst)

**Main exports:** Food products, Furniture, Vehicles & Automotive components.

# Poland and the Poles

- Admire Britain, wary of neighbours
- Aware of history and links with Britain: WW2
- English is a second language for under 40's
- Young are very keen to succeed
- Well educated and technically very skilled
- Status, seniority & titles still important
- Initially rather formal - "Mr Kowalski" not "Jan"
- Charming (hand-kissing!) and hospitable

# Quality of Polish Employees

Comments by one of my UK clients regarding the quality of Polish applicants:

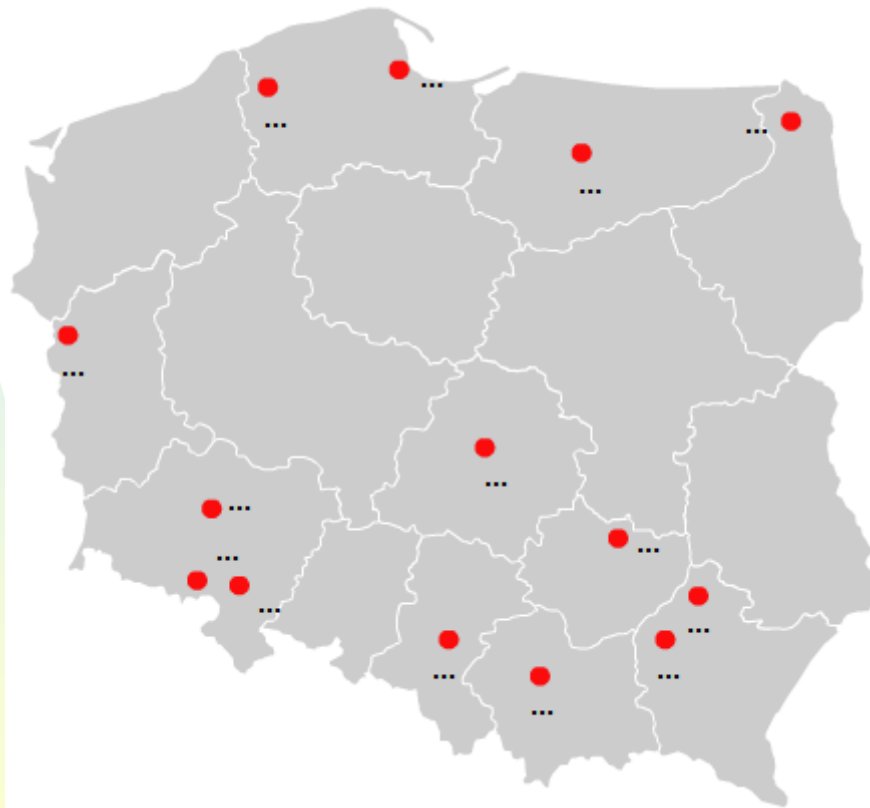
- “I am increasingly amazed at the quality of applicants we are getting to the advertisement. We have never had such a high quality, well-educated response from the UK.”
- “Another really highly qualified candidate! Why can we never find this quality of employee in the UK?”

# Special Economic Zones

A manufacturing SME in a Special Economic Zone can receive:

- 65% income tax exemption on its investment costs.
- 65% income tax exemption on the first two years costs of hiring new employees.
- The possibility of property tax exemption in selected locations where the SEZ is situated.
- Selected employment support programmes organised by the Regional Labour Office concerning recruiting and training of employees.

# Special Economic Zones



# Investment considerations

Many investors now look for:

- Sustainability – i.e. “Investment environment” not just “Lowest cost”. This makes:
  - Political and legal stability
  - Telecoms/Broadband infrastructure
  - Road Infrastructure
  - Education level
  - Innovation clusters
  - Quality of supply chains

More important than just:

- Labour costs and government incentives

# Some final thoughts

- The selection of the location for your investment will depend on:
  - Your business sector.
  - The location and size of your current and potential markets.
  - The size of your company and amount you plan to invest.
- If, after careful analysis, you have a choice of two excellent locations, then choose the place and people you and your colleagues like to work with!

# Investment and other opportunities in Poland

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