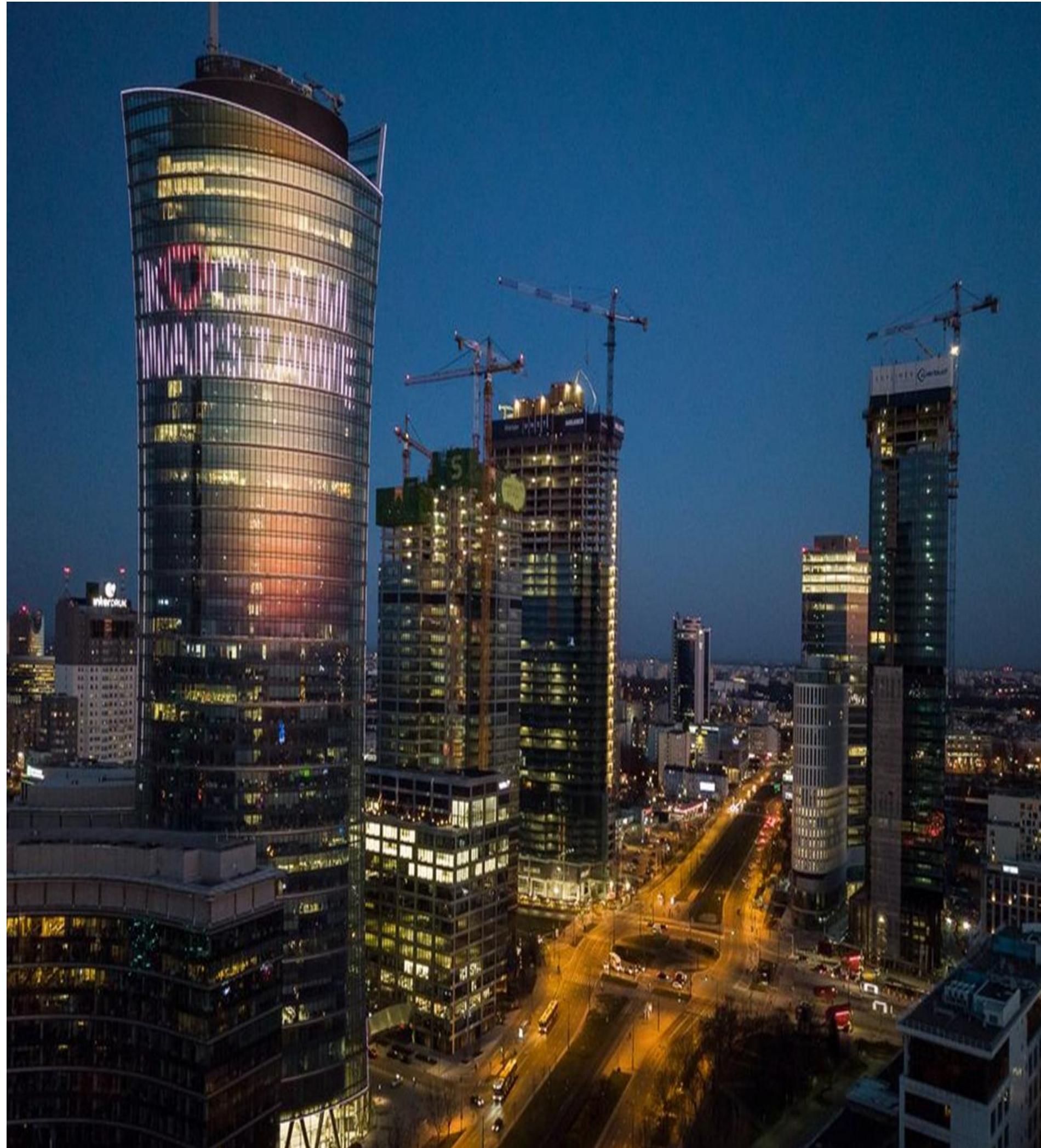




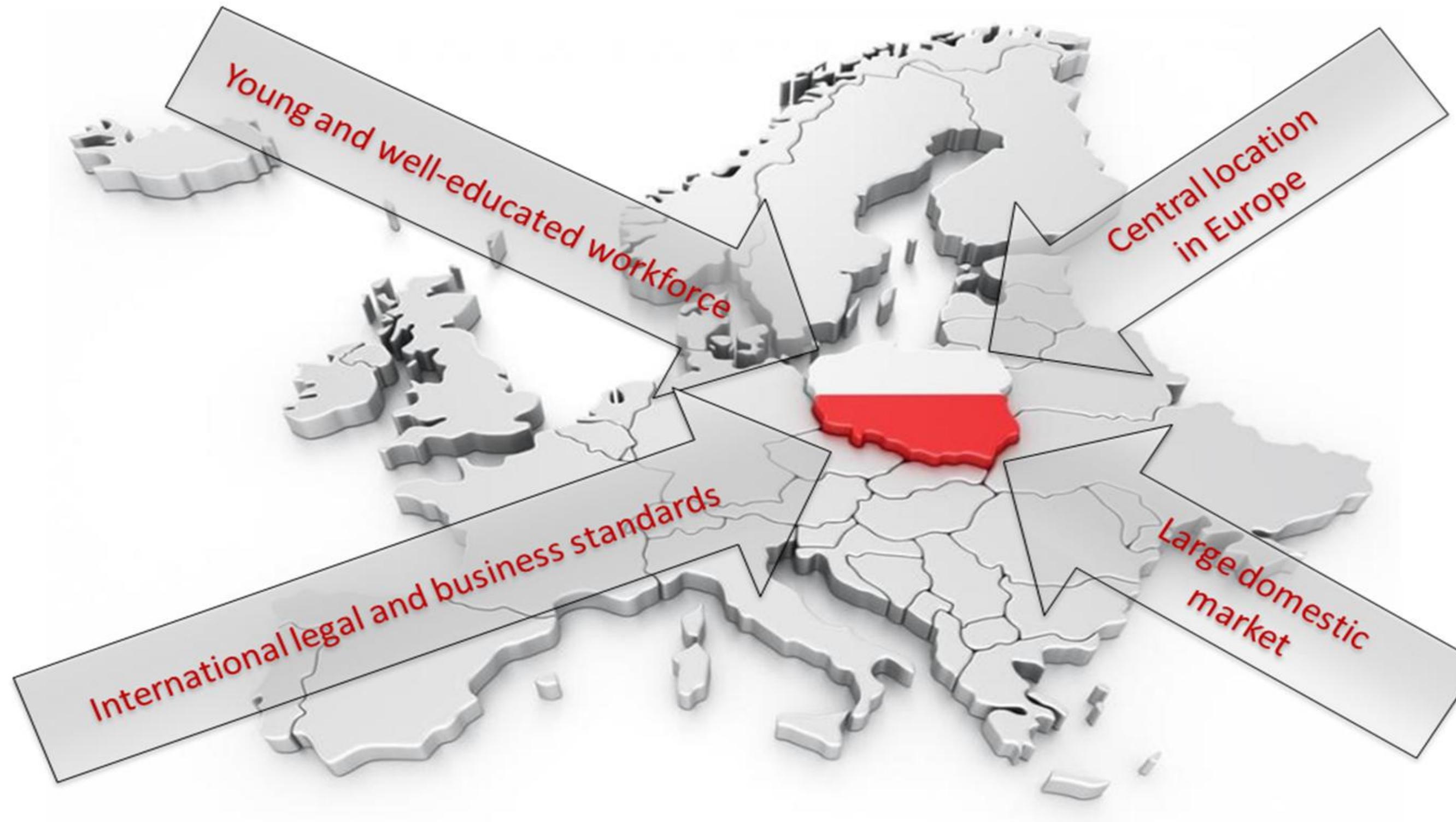
Ministry of Economic  
Development

# Poland – opportunities for investment and business cooperation



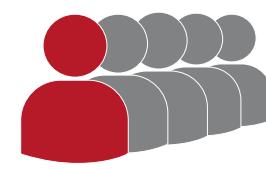


# Poland – central location in Europe





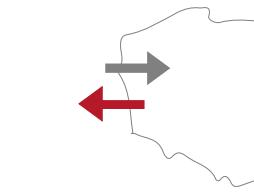
# Why Poland?



## Highly skilled and young labor force

24 million inhabitants under the age of 50

Healthy unemployment level **of 3,8 %**



## Big internal market

**Biggest country in the CEE**

**6th biggest country** in the EU (area, population)

Unlimited access to the EU market of **510 million** inhabitants



## Quickly developing infrastructure

Over 1100 km high speed roads under construction

**5th longest** road network in the Europe



## Academic hub

**1.29 million** students and

**320 thousand** graduates each year



## Business friendly environment

**1st place** in the CEE region – the most attractive country to establish operations . Katowice SEZ - best free zone in Europe in **2015-2017**, Łódź SEZ best free SMEs zone in Europe in **2017**. Poland advanced in Doing Business ranking by **47 positions** since 2012



## Attractive incentives system

**Poland: Investment Zone**

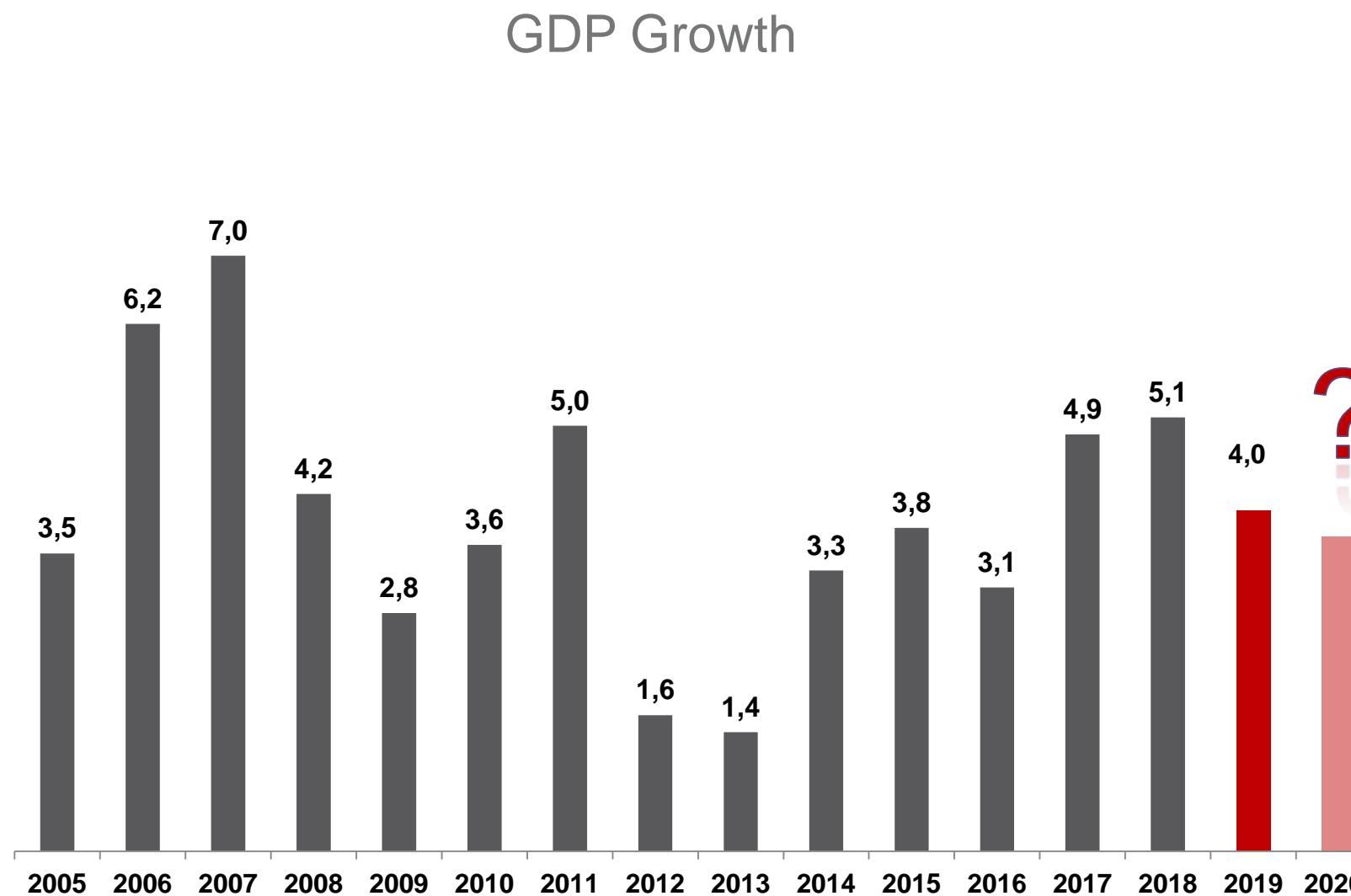
**Government Grants** for strategic projects

**50% public aid** intensity in Eastern Poland

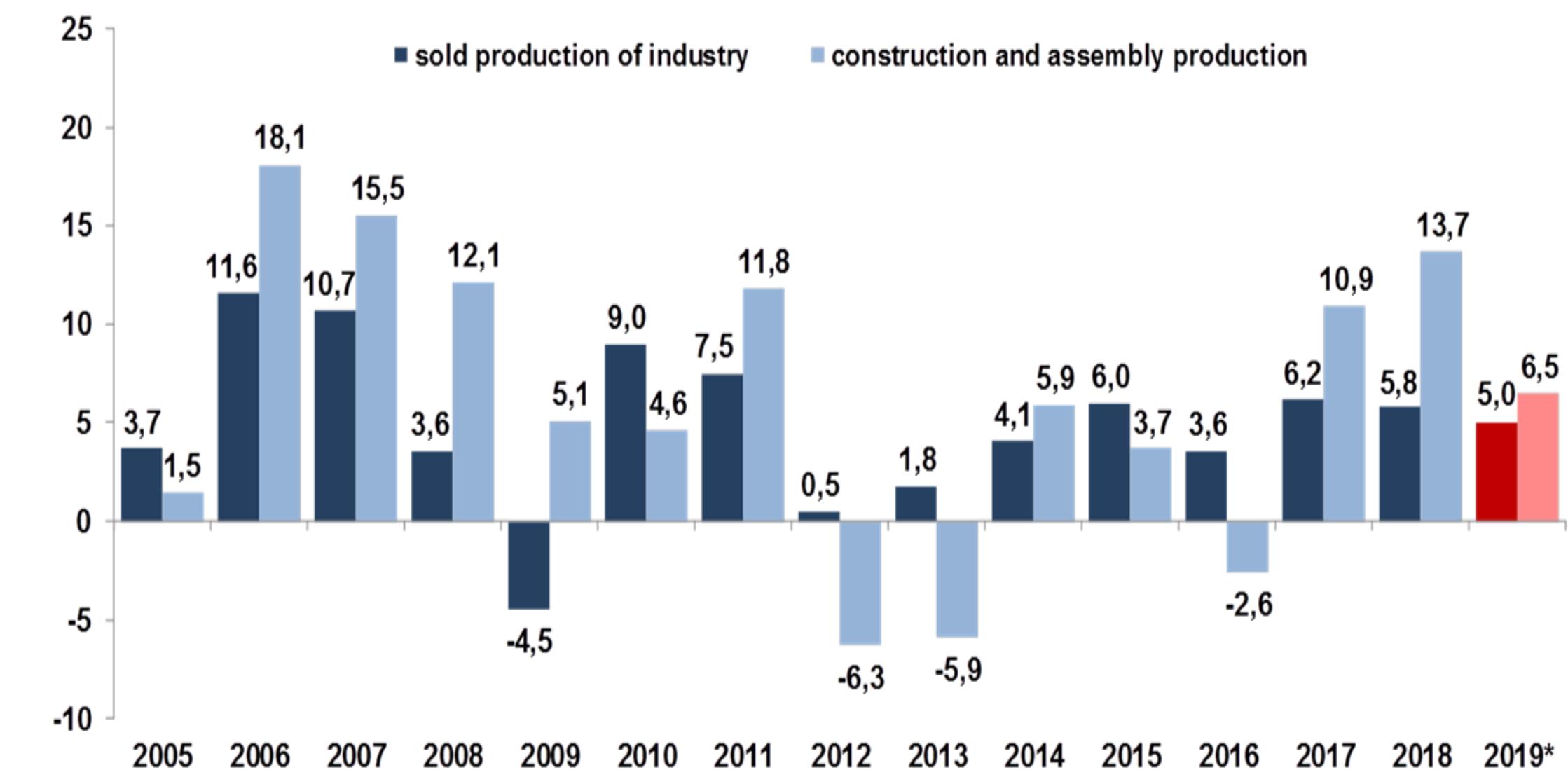




# Polish Economy – main information



Sold production of industry, construction and assembly production (% YoY)





## Polish economy more resistant to virus than others?

The Polish economy is set to be the least affected in the EU by the Covid-19 pandemic.

According to the recent forecasts, in 2020 Polish GDP is currently expected to decline by approx. 3 – 3,5%.

The European Commission predicts that Poland should bounce back in 2021 with GDP growth projected to increase by more than 4%.





## Anti-crisis measures for business - Anti-crisis Shield

Anti-crisis Shield it is the package of solutions with aim to protect Polish economy and Polish citizens from the crisis. The Shield bases on 5 pillars:

- Protection of workplaces and employee safety,
- Financing of entrepreneurs,
- Health protection,
- Strengthening the financial system,
- Public investments.

The shield stabilizes Polish economy and gives it an investment impulse.

The support paid to companies and employees from the Anti-Crisis Shield has already exceeded 130 billion PLN (nearly 15% of Polish GDP).





# Investment incentives

## State aid rules

### TAX BREAKS

- ▶ CIT exemptions in Special Economic Zones (SEZ)
- ▶ Real estate tax (RET) exemptions
- ▶ CIT relief for R&D

### CASH SUPPORT

- ▶ Government grants for innovative projects
- ▶ Grants co-financed by EU funds for R&D activities





# Support for foreign investments

## Changes in the Polish Investment Zone

including: lowering quantitative thresholds for small and medium-sized enterprises (98% discount in relation to the base amount)

**Estonian corporate tax**  
the possibility of deferring the payment of CIT until dividends are paid

## Draft act on the status of a strategic investor

simplified path of administrative proceedings for entrepreneurs with the status of a strategic investor

## Draft act on strategic investment parks

a mechanism enabling the purchaser of private land for the purpose of creating investment parks

## Program supporting investments of significant importance to the Polish economy for 2011-2030

simplified criteria for access to the program by the SMEs

## Draft act on support for the trade receivables insurance market

implementation of the mechanism of reinsurance by the State Treasury of commercial insurances



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# Polish economic cooperation with Croatia



## Polish economic cooperation with Croatia

- In 2019, Croatia was Poland's **32<sup>nd</sup> trading partner in terms of export**, while **66<sup>th</sup> partner in terms of Polish imports**. In turn, Croatia was ranked 46<sup>th</sup> in terms of Polish trade turnover.
- In 2019, the Polish export to Croatia increased **by 9,0%** and reached the highest level so far, **EUR 930.6 million**.
- Thus, the value of Polish export has more than tripled in the last seven years.
- On the other hand, Polish imports from Croatia increased by almost 4.5%, while the trade turnover - by over 5%, reaching **a record level of over EUR 1.1 billion**.



## Polish economic cooperation with Croatia

- According to preliminary data of the Polish Central Statistical Office, **from January to July 2020, Polish exports to Croatia decreased by almost 5.5% (y/y)** and amounted to approx. **EUR 516 million**.
- The main reason for the decline in exports is the crisis caused by the COVID-19 pandemic.
- The chemical industry is among the industries that recorded the highest increase in exports (+7.4 y/y; total value: EUR 75.5 million) and light industry (+ 23.4%; EUR 51.6 million), while the greatest decreases were experienced by the electromechanical industry (-10.8%; 121, EUR 2 million) and the agri-food sector (-18.2%; EUR 113.2 million).





## Polish economic cooperation with Croatia

- In turn, in the same period, **Polish imports from Croatia increased by nearly 2% y/y** and amounted to over EUR 106 million. The import of, among others, agri-food products (+ 9.2%; total value: EUR 15.2 million), wood and paper products (+ 68.4%; EUR 7.1 million) and ceramic products (+ 70.1%; 6 EUR 8 million) increased, while the imports of electromechanical industry products decreased (-12.7%; EUR 34 million).
- **Poland's trade turnover in trade with Croatia decreased from January to July 2020 by over 4%, reaching a value of EUR 622 million.**





# Polish economic cooperation with Croatia

The dominant items in Polish exports to Croatia in 2019 were: **furniture (EUR 69 million), cigarettes (EUR 56.8 million), bread, confectionery, cakes, cookies, wafers (22.9 EUR million), sanitary napkins, tampons and diapers (EUR 20.2 million), car parts and accessories (EUR 18.5 million), beef (EUR 17 million), chocolate and cocoa-containing food products (EUR 14.5 million).**





# Polish economic cooperation with Croatia

The dominant items in Polish imports from Croatia in 2019 were: **television reception equipment, video monitors and projectors (EUR 12.3 million), medicines (EUR 11.6 million), sauces and spices (EUR 8.7 million), parts for internal combustion engines (EUR 6.2 million)**.





# Polish trade turnover with Croatia (comparing to the V4 countries)

**Polish main trading partners  
in 2019 (in terms of Polish  
export):**

1. Germany – 66 bln EUR
  2. Czech Republic – 14,6 bln EUR
  3. United Kingdom – 14,2 bln EUR
  4. France – 13,9 bln EUR
  5. Italy – 10,8 bln EUR
- ...
10. Hungary – 6,6 bln EUR
  11. Slovakia – 6,2 bln EUR
- ...
32. **Croatia – 930 mln EUR**





# Polish trade turnover with Croatia (comparing to the V4 countries)

## Polish main trading partners in 2019 (in terms of Polish import):

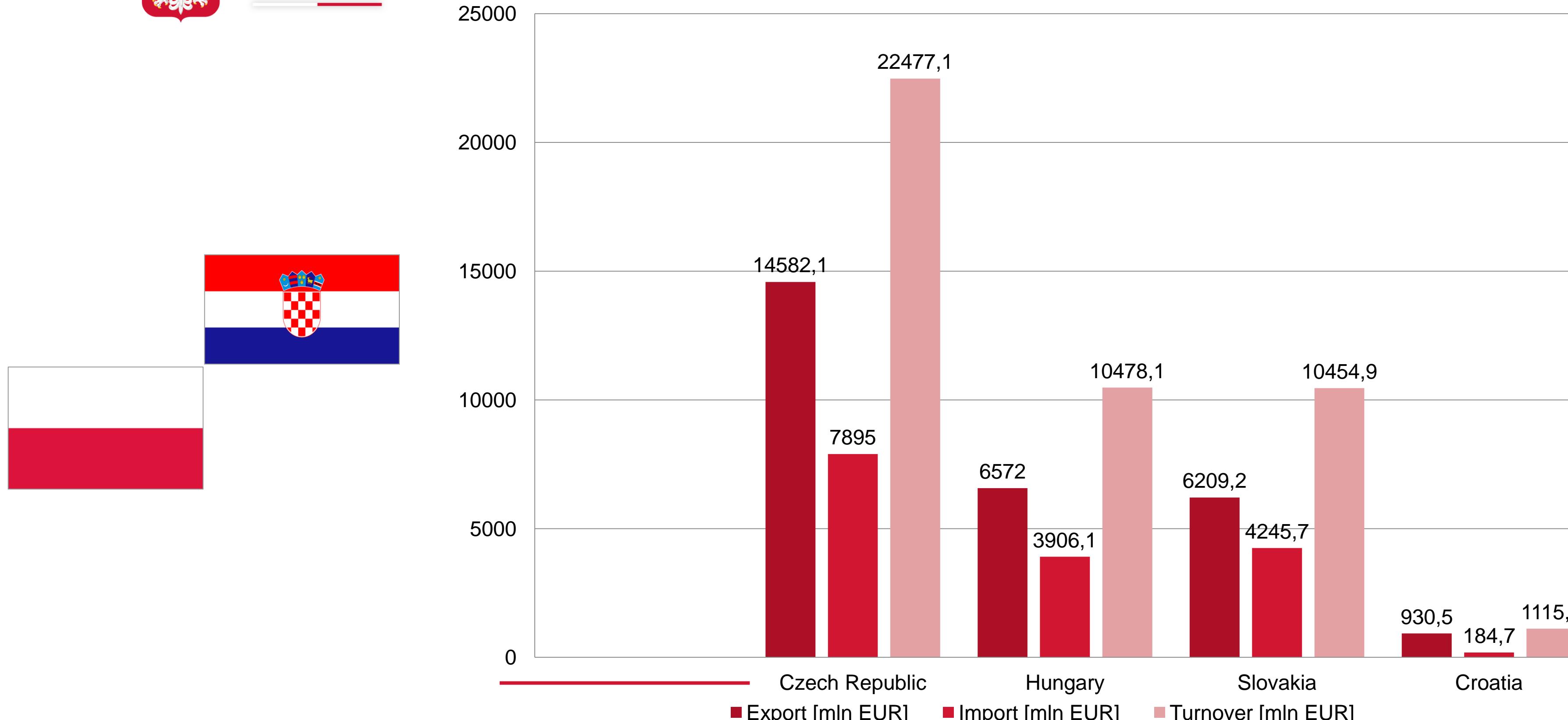
1. Germany – 51,8 bln EUR
2. China – 29,3 bln EUR
3. Russia – 14,5 bln EUR
4. Italy – 11,9 bln EUR
5. Netherlands – 8,9 bln EUR
6. France – 8,6 bln EUR

7. Czech Republic – 7,9 bln EUR
- ...
14. Slovakia – 4,25 bln EUR
- ...
18. Hungary – 3,9 bln EUR
- ...
67. Croatia – 185 mln EUR





# Polish trade turnover with Croatia (comparing to the V4 countries)





# Polish investment cooperation with Croatia

## Polish FDIs in Croatia

According to National Polish Bank data, at the end of 2018, the value of Polish investments in Croatia was EUR 191.1 million (EUR 185.7 million in 2017).

In total, the inflow of Polish capital to Croatia was at the level of EUR 5.0 million, while the income of Polish enterprises from investments (FDI) in Croatia, they amounted to EUR 12.4 million.

## Croatian FDIs in Poland

According to NBP data, at the end of 2018, the value of Croatian investments in Poland was EUR 50.3 million (in 2017 - EUR 42.9 million).

In total, the inflow of Croatian capital amounted to EUR 6.4 million, while the income of Croatian enterprises from investments (FDI) in Poland amounted to EUR 6.5 million.



## Thank you for your attention!

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