



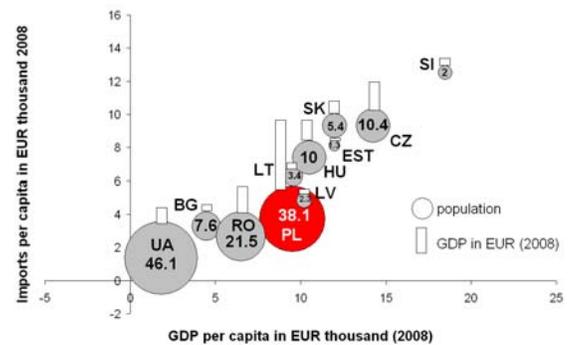
9th largest population in Europe and 2nd largest in the CEE region

biggest consumer market in the CEE region by value of total purchasing power

21st economy in the world in terms of total GDP

strong industrial and urban areas around multiple key cities

Key Facts



The Least Crisis-Hit Country in Europe

Poland has been enjoying the longest period of uninterrupted GDP growth in Europe (last recession taking place in 1991). And its GDP kept growing, even in 2009, while the rest of Europe, without exceptions, went down!

Poland was the least hit by the recent global financial crisis, thanks to its large domestic market as well as sound fundamentals at the onset of the crisis: a well-capitalized and sound financial sector, relatively low degree of openness of the economy, and sizeable depreciation of the Polish currency at an early stage of the economic turmoil.

According to the EU Commission, Poland's GDP growth in 2010 will be matched only by that of Slovakia (both are forecast to achieve +2.7% in 2010) and will be once again the highest in the European Union. The EC expects the entire EU to grow by 1.0% in 2010 and 1.7% the year after.

So far, economic growth has remained quite concentrated in the largest metropolitan and industrial areas around the cities of Warsaw, Katowice, Krakow and several others. Some remote regions, mostly in South-East Poland, remain relatively underdeveloped. Actually two of these regions were the poorest regions in the European Union until the accession of Romania and Bulgaria in 2007. On the other hand, the Mazowieckie region hosting the capital of Warsaw and its metropolitan area, reached over 83% of EU's GDP average. Poland's overall GDP per capita reaches 57% of the EU average.

FDI projects that targeted Poland due to its large pool of qualified labor available at cost-effective salaries have helped to change the economic characteristics of Poland. Just 18 years ago nearly 30% of workers were employed in agriculture; that number has now decreased to 15% according to the latest data. There are big differences between Western Poland (with about 3-4% of population in agriculture) and Eastern Poland (33.7% in Lubelskie region).

Poor infrastructure continues to be a major obstacle to regional economic development, but major investments are underway (see right).

Sector Spotlight

Poland's strong sectors include manufacturing industries such as electronics, automotive, aircraft and metal processing as well as lower-value sectors (clothing, furniture and agriculture).

Poland is one of the largest furniture producers in the world (10th by value of production and 4th in export); despite the crisis on its main export markets in 2009, Poland exported furniture in the value of approx. EUR 5.18 billion (USD 7.5 bil.).

Poland is also an important global player in steel production, with 7.1 mil. tons of crude steel produced in 2009 (down by 26.7% against 2008). From all crude steel melt in Poland, non-alloyed steel, alloyed steel and corrosion-resistant steel represented 96.2%, 3.8%, and 0.02%, respectively.



Filip Korinek
Managing Director



Pavlina Klimova
Project Manager

EasyLink Business Services is proud to represent the Commonwealth of Pennsylvania in the Czech Republic, Slovakia, Poland, and Hungary since 2008.

To obtain export assistance in any of the above markets, contact:

Jana New, Intl. Program Manager
Tel: 717-265-7749
Email: jnew@state.pa.us

Media Snapshots

- Retail sales in 2009 were stronger from quarter to quarter. Sales of clothing and footwear were up by 22.3% year-on-year, pharmaceuticals, cosmetics and orthopedic equipment by 14%, press and books by 1.2%, and food & beverages & tobacco by 4.8%.
- Poland is one of the biggest motorway construction sites in Europe. Almost 1000 km (600 miles) of motorways and dual lane expressways is currently under construction. Additional 800 km (500 miles) of motorways and expressways is in the process of public tenders and will be built in 2-3 years. Polish government plans to complete these roads before the Euro 2012 UEFA football (soccer) championship.
- In a Gallup survey in January 2010, 28% of Poles said the economy was improving, by far the highest result among other CEE countries (compared to 14% of Czechs and mere 4% of Hungarians). In the same poll, 31% of Poles stated their standard of living was improving (compared to 24% of Czechs and 13% of Hungarians).
- LOT Polish Airlines will be the first European airline to receive the new Boeing 787 Dreamliners that are expected to begin flying for LOT in 2011.
- The share of renewable resources in Poland's energy consumption reached mere 4% in 2009. In line with EU regulations, Poland needs to increase this to 15% by 2020. Experts claim investments into renewable energy still have a lot of potential. So far biomass has been the leading resource followed by wind. The government has not effectively supported the use of solar energy.

Comparative Advantages

- Proximity to Western and Nordic markets
- Size of population (Europe's 9th largest)
- Cost-effective manufacturing - large quantity of qualified labor force at competitive salary levels
- Effective gateway to Eastern European / CIS
- Stable political situation
- High level of FDI inflow
- CEE's biggest capital market and investor base