

Were the black scenarios exaggerated? Data from the Central Statistical Office show that inflation is falling and Poland has avoided recession. Do we have reasons to be happy? "The probability of inflation exceeding 20% has decreased" - said Marek Zuber in the interview with Beata Tomczyk. p. 3



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INTERNATIONAL

WIND BLOWS IN THE RIGHT DIRECTION

According to the PWEA, Poland's offshore wind potential is 33 GW. If the Baltic's total potential is exploited, offshore wind power could meet as much as 57% of Poland's total electricity demand. Where is the space for international cooperation? Interview with Elro van den Burg, Project Initiator for LinkedbyOffshoreWind. p.10



LONG LIVE FRANCO-POLISH BUSINESS CHAMPIONS

Poland is one of the largest and most important economic partners for France in Central and Eastern Europe. France, according to the latest NBP data, is the second largest foreign investor, taking into account the origin of the parent company. There are nearly 1,100 companies with French capital. At the beginning of the 1990s, French companies began to appear in our country, both larger and smaller investors, many of whom are still in Poland today. Sylwia Ziemacka talked to Joanna Jaroch-Pszemniczna, General Director of the French-Polish Chamber of Commerce. p.8



ITALIAN IN POLAND

Francesco is an Italian IT specialist. When asked about his profession, he always answers he's a content creator. He moved to Warsaw almost three years ago from Turin following the hunch, that Poland is a perfect place to live. p.23



MIPIM AWARDS

Panattoni Danfoss BTO has been shortlisted for MIPIM Awards 2023 in the Best Industrial & Logistics Project category. Fabryka Norblina is shortlisted in two categories: "Best mixed-use project" and "Best urban revitalization project." p. 16

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In May 1960, the Italian daily „Il Giorno” published an article in which it called it „the most beautiful car from behind the iron curtain”. However, only one

copy was ever made – a glossy red one with a black roof, the 2-door coupé. The only copy of this sports car was built in 1957-1960 at the Passenger Car Factory in Warsaw. Why did the now forgotten FSO project not become a popular car on the roads across Europe? p.22





 Katarzyna Braiter
Editor in Chief

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Poland is an emerging market in virtually every area. Foreign investments are accelerating, we host representatives of foreign governments who view Poland favorably as a potential partner, foreigners come to buy Polish art and exhibitions of Polish artists are extended because so many of us want to see them. Meanwhile, we have an Oscar nomination in the „Best International Feature Film” category. We also try to find ourselves in a constantly accelerating business world, in family life and in the world of culture. We are torpedoed with tons of information, inventions, training, theater and cinema offers. Can we

always choose what is most important? I know we can't. I often struggle between wants and shoulds. For sure we are good at what we do. But not only. We have more and more foreigners who, even working in international corporations, contribute to what is happening in Poland, at every level. By learning from us, they also teach us. The international environment, no matter whether in business or culture, involuntarily absorbs our work style and shares its own. The exchange of know-how working both ways is what pushes us forward and I hope it will not stop any time soon.

cartoon



data point



Industry and domestic demand drive GDP growth

The Polish economy slowed down significantly throughout 2022 and yet gross domestic product increased by 4.9% for the year, compared to an increase of 6.8% in 2021.

“This is quite a good result (...) According to the forecasts for 2022, GDP in the entire EU increased by 3.3%,” said the head of the Central Statistical Office, Dominik Rozkrut, while discussing the results.

According to Mariusz Zielonka, an economic expert from the Lewiatan Confederation this is not much of a surprise. The preliminary estimate for GDP for 2022 indicates that the economy grew 4.9% in real terms. Industry turned out to be the main driver of the economy last year, only weakening in Q4. However, one cannot ignore the impression that the increase was the result of ongoing significant stocks of materials and products made by entrepreneurs in 2021 and 2022, and a slower than expected ‘descent’ from stocks.

Domestic demand had the greatest impact on GDP growth. But it is starting to fade, which may mean that the first quarter of the year may bring a reduction in demand. Private consumption has also seriously slumped. We will continue this trend in the first quarter of this year.

A positive surprise was the scale of investment growth, which increased by 4.6% in real terms during the year. Apart from investments, all other categories listed by the Central Statistical Office in the preliminary estimate show smaller increases than a year ago. There are still serious risks (foreign trade, inventories) that the GDP revision may be significant.

Preliminary results show that despite these risks, we may not start the new year with negative GDP.

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The deputy finance minister argues that if nothing extraordinary happens, the inflationary pressure will be lower from March. Will we only see a drop in inflation this year?

If we do not have an anti-inflationary shield and we impose decisions on changes in the price lists of various types of private companies, which are most often implemented at the beginning of the year, we assume that the peak of inflation will be in January, not in February. But it largely depends on the decision of the state. The probability of inflation exceeding 20 proc. has decreased. Even if it does, it won't make much difference, including a psychological one. Nervousness was caused by the transition to a double-digit level. Later on, from the second quarter, inflation should fall significantly. My scenario is inflation at well below 10 proc. in December.

First of all, because of the base effect, especially in the second half of 2022, when a lot of unpleasant things happened. But also thanks to two other groups of factors that will favor us. Namely, because of what is happening in the world, i.e. a very strong drop in the prices of raw materials, including food, which we have been observing for several months. And by internal factors. Namely, real wages have been falling since May. We have never had such a long period of decline in real wages during the 30 years of the market economy in Poland. And the second thing: there has not been such a deep drop, because if you look at the data on the average salary, and these concern approximately 45 proc. of employees, and in larger companies, for example in state-owned companies, where generally pay is better, where trade unions are stronger and so on, in December the drop in this real wage in this segment was over 6 proc. I think that in micro-companies, in small companies, there are already double-digit declines. So we see a brake. This will limit our consumption and it is also a factor that should



photo credit: PAP/Bartłomiej Zborowski

OVER THE WORST?

Were the black scenarios exaggerated? Data from the Central Statistical Office show that inflation is falling and Poland has avoided recession. Do we have reasons to be happy? Beata Tomczyk talks to Marek Zuber.

curb inflation. So when we put it all together, I think that single-digit inflation at the end of the year is very, very likely. And actually, the only threat that I see on the horizon today, apart from those that cannot be fore-



I think that in micro-companies, in small companies, there are already double-digit declines. So we see a brake. This will limit our consumption and it is also a factor that should curb inflation.

seen, of course, these extraordinary events, is a strong rebound in China, which could lead to increased demand, for example for raw materials. But I'm not sure if that's going to be a very strong rebound, if only because of the recent figures China has released regarding its demographics, housing problems and a few other things. But this is a completely different topic, which we could also talk about for a very long time.

How do you evaluate the data of the Central Statistical Office? The Central Statistical Office claims that the Polish economy grew by nearly 5 proc. in 2022. Is this data reliable?

We have to trust someone, so we trust the Central Statistical Of-

fice. But seriously, yes. This is of course the average. We had, and I guess you can say so, a fantastic first quarter – 8.6 proc. growth. To a large extent, because this is also worth talking about, it resulted from companies building up inventories. They have behaved a bit like consumers. Those, especially when double-digit inflation level was exceeded, rushed to stock up, fearing that it would be even more expensive, and only then this buying was slowed down by falling real salaries. In companies, stock purchases began in 2021. Here we have the PPI, production prices, which show how much these various factors of production became more expensive, more than inflation, than the CPI, i.e. an indicator for consumers. But since they were bought for stock, they produced much more than they could sell. If only because there were fears of an increase in the prices of energy carriers, which are used by almost every company. So stocks were built up in the first quarter. In the second quarter, we had a slump when it comes to quarterly data, as GDP fell

by about 2 proc., so what was in the warehouses had already started to be sold, production was stopped on a regular basis. And then it only got worse. So the first quarter with 8.6 proc. meant 5 proc. annualized GDP growth. But still 5 proc. means that in the last, fourth quarter, it is only around 2 proc. And the first one will be worse in my opinion. In short, the data are quite reliable. They simply show what we are talking about, i.e. a very strong slowdown of the Polish economy in 2022.

What about the black scenarios that economists tried to draw? Are we no longer in a recession? What about a slowdown in the economy?

If you look at what was said at the beginning of last year about the prospects for inflation and economic growth, we had a split as never seen before. The end of the year is not surprising. What surprised us during the year was mainly March, or rather the end of February, the escalation of the war in Ukraine, which had a huge impact on the macroeconomic and economic situation, as well as on the formation of prices. And I'm not just talking about Poland now, I'm talking about the world in general, Europe in particular. When interest rates had to be raised relatively more, which in turn hampered the economy more. And hence the comment of the deputy finance minister about „if nothing extraordinary happens” is certainly of great importance.

We do not know what will happen in 2023, especially in the context of the war. I always assume that, first of all, if there is a recession in Poland, it will not be in 2023. And I don't remember anyone talking about a recession in 2023, only that such a risk exists and it will be a generally weak year in economic terms.

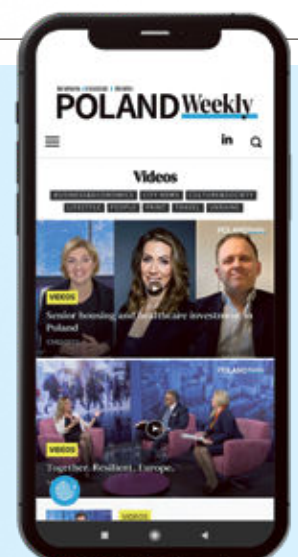


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Poland Weekly newspaper – distributed and sold inside and outside Poland, the portal and original video programmes are aimed at keeping an international community up to date with the economic and business situation in Poland, but also introducing information about culture, society and lifestyle.



Scope Fluidics debuts on Warsaw Stock Exchange main market

Scope Fluidics (WSE NewConnect: SCP), a biotechnology company developing innovative projects using microfluidic technologies for applications in medical diagnostics, has moved the listing of the company's shares to the WSE's main floor after less than six years since its debut on NewConnect.

Scope Fluidics' shares debuted on the NewConnect market on 16 August 2017 and since then the company's share price has increased more than tenfold.

The change of listing market follows the company's dynamic growth over the past few years from a start-up to a Capital Group with a capitalization at the time of the transition in excess of PLN 640 million (as of January 17).

Scope Fluidics had a very successful 2022, in which the company's biggest success was sale of 100 proc. of shares in Curiosity Diagnostics, a subsidiary developing its PCR|ONE project, to global molecular analytics leader Bio-Rad Laboratories. The US company, which has a capitalization of \$12 billion on the New York Stock Exchange,

paid \$100 million as part of the payment due upon signing the agreement. In addition, the agreement provides for additional future payments to Scope Fluidics of up to \$70 million. These payments are contingent on the Curiosity Diagnostics team achieving milestones in the development and commercialisation of PCR|ONE.

„I am very pleased to move to the main floor of the Warsaw Stock Exchange and to make our shares available to a wider range of investors. We are systematically building up all aspects of Scope Fluidics' operations in order to increase the value of the group. We would like to thank the investors for their trust so far – Scope Fluidics' debut on NewConnect in 2017 provided us with a number of opportunities, which we feel we have taken full advantage of. We have multiplied the

capital raised from investors on several occasions. We have made a transaction that is unique on our market, selling a technology created in Warsaw to a US partner. Meanwhile, Bacteromic has obtained market clearance for its first diagnostics panel. Thanks to the work of our teams, we have confirmed that long-term investment in life-science companies can yield a solid rate of return. Now, new challenges lie ahead. We anticipate that listing on the main floor of the Warsaw Stock Exchange will improve the liquidity of our shares and enable new investors – both domestic and foreign – to participate in our ventures. We also hope to maintain the interest of individual investors who have been ac-



Experts estimate that the future market for automated antimicrobial susceptibility testing is already worth around **\$1 billion a year.**



tively investing in Scope Fluidics for years”, says Piotr Garstecki, CEO of Scope Fluidics.

Following the sale of its PCR|ONE technology to a multinational corporation operating in the global market for bio-analytical techniques, Scope Fluidics is focusing on building value and ultimately selling its second flagship project, the BacterOMIC system for assessing bacterial drug susceptibility. BacterOMIC is a diagnostic system that addresses one of the most important challenges of modern medicine – the multi-drug resistance of pathogens. The system allows phenotypic evaluation of the effectiveness

in a specific patient of 25 antibiotics used to treat, among other things, infections of the respiratory system, blood, urinary tract or skin. BacterOMIC will give clinicians access to complete, practical information, speeding up access to precise antibiotic therapy. BacterOMIC is a system with very high market potential to revolutionize antibiotic therapy. Experts estimate that the future market for automated antimicrobial susceptibility testing is already worth around \$1 billion a year. Clinical trials have proven the effectiveness of the BacterOMIC system, which ultimately has the potential to test all clinically relevant antibiotics in a single test.

InPost starts cooperation with public transport operators in Italy, UK and Spain

New InPost devices are to appear at metro stations and public transport stops in Rome, Manchester and Barcelona.

InPost – a leader among delivery platforms for e-commerce in Europe – has established new partnerships with transport network operators in Rome, Manchester and Barcelona. The inhabitants of these cities will be able to use the network of Paczkomat® devices at bus stops and metro stations. It is another strategic step in the development of the group on European markets.

In 2022, the InPost Group handled 744.9 million parcels, 44 proc. more than a year earlier. At the end of 2022, InPost had 27,939 Paczkomat® devices, including 19,306 in Poland and 8,633 on international markets.

InPost continues to expand its services in European markets, and with them the idea of choosing more ecological forms of delivery to Paczkomat® devices. For this reason, the company has recently established another after Transport for London (TfL) cooperation with management companies and coordinating the public transport of European metropolises: Transport Metropolitans de Barcelona (TMB), Transport for Greater Manchester (TfGM) and ATAC S.p.A. They will make it possible to expand the network of Paczkomat® devices in Manchester, Barcelona and Rome.

„I am extremely proud that other European cities have



opted for InPost and want to work with us to create an environmentally friendly delivery system. Growing interest in Paczkomat® devices among residents in European cities is

for me a confirmation that developing a form of deliver in which the user decides when to send and collect his or her parcel is a solution for



our times and a way to reduce emissions resulting from the delivery of shipments”, says **Rafał Brzoska, president of InPost.**

Cooperation set to drive expansion of Polish exports

Bank Pekao and the National Chamber of Commerce have signed an agreement that will strengthen the cooperation of both institutions and aims to facilitate the international economic expansion of Polish entrepreneurs and support the development of Polish exports.

Pekao and the Polish Chamber of Commerce will undertake joint activities in Poland and on foreign markets to develop companies' commercial and investment activities abroad. In practice, for entrepreneurs, this will mean access to coordinated substantive care, expertise as well as financial and non-financial solutions supporting expansion into foreign markets. „The agreement with the Polish Chamber of Commerce is an

opportunity for us to cooperate with more companies that plan to expand abroad and to meet their needs even better, using our unique skills and extensive experience in the area of trade finance. It is an agreement that can be briefly described as a win-win-win for entrepreneurs, the Polish Chamber of Commerce and Pekao”, says Jerzy Kwieciński, vice-president of Bank Pekao, supervising the Corporate Banking,



Markets and Investment Banking Division.

„Polish companies have great potential when it comes to foreign trade. This is indicated by a study by the Central Statistical Office, where 53 proc. of surveyed enterprises in the first

half of 2022 showed revenues from goods exports. As much as 80 proc. of them ended the period with a profit. We believe that thanks to the cooperation of Bank Pekao with the Polish Chamber of Commerce, even more entrepreneurs will

decide to sell their products abroad, which may allow them to develop their operations on international markets”, says Magdalena Zmitrowicz, vice-president of Bank Pekao, supervising the Corporate Banking Division.

„Coordinated cooperation will allow our institutions to develop market-attractive solutions for Polish entrepreneurs whose business maturity is already so solid that the natural next step is to undertake export activities. Polish exports have been constantly growing for years, and Polish brands are appreciated all over the world. Still, only a fraction of companies undertake internationalized activities. Together with Pekao, we have taken up the challenge of popularizing exports, also on more difficult markets. Here we combine our broad competences and many years of experience on the international arena”, says Marek Kłoczko, President of the Polish Chamber of Commerce.

Insect-based innovative production in Poznań

Unusual and innovative production on a global scale will soon start in Robakowo, near Poznań, where organic feed for fish, companion animals and poultry will be made from insects.

The HiProMine company was established in 2015. It focuses on innovative, proprietary tech-



nology of industrial breeding of insects and the use of their biomass for the production of alternative feed materials (protein, oil) and organic fertilizers on a European scale. The company's offer is addressed mainly to the markets for pet food and feed for fish farming, farm animals and gardening. The company has full vertical integration of the production process – from its own genetic material to the final product. Production takes place on a modular model, which makes it easy to scale. HiProMine is the only entity in Poland and one of only a few in Europe offering products of insect origin in industrial quantities.

In December 2022, the company announced that the Ministry of Development and Technology will co-finance the construction of a new feed production plant from insect biomass with the amount of PLN 14.4 million.



The Ministry of Development and Technology will co-finance the construction of a new feed production plant with the amount of **PLN 14.4 million.**

BPO global leader Alorica chooses Łódź

Alorica, a leader in next-generation CX solutions, has announced expansion plans in Africa and Europe. One of the new centers of the US investor will be built in Łódź and is planned for the second quarter of 2023. Alorica promises to employ up to 1,000 people in the central Polish city. The other new company center will be built in Cairo. “Egypt and Poland caught our attention as strong markets with

a rich talent base. Our new ventures will open career opportunities for people in these countries, while allowing us to better reach customers in the regions,” said Greg Haller, CEO of Alorica.

Łódź was chosen as the new customer contact center due to its high-class candidates for work, as well as the availability of transport, public services, shops and other amenities important

for a multicultural and multilingual workforce, Haller added.

Alorica is one of the world leaders in the BPO sector - it employs 100,000 people across 17 countries and has 24 years of experience in CX solutions - offering support in over 30 languages for a wide range of industries, ranging from financial services, technology, travel and hospitality, to e-commerce and retail.



What's the mood among the entrepreneurs and investors in the startup market?

Our data collected at the end of 2022 do not show a decline in the amount of available capital, but when asked about this, founders have a rather pessimistic outlook, believing that problems might arise. The situation will become clearer in the coming quarters and it will be easier to assess whether and to what extent we will also feel the slowdown.

We are already seeing a slowdown in the most developed markets and pessimism is prevalent among startups. There is a noticeable decline in the amount of capital invested in startups. Such a negative trend is visible, for example, in the United States, but also in the Western European markets, where the situation is also starting to become more complicated. Startups at a later stage of development are complaining about increasing problems with closing late-stage rounds. Younger players, on the other hand, are complaining about longer and more thorough due diligence processes, which in itself may be a good thing for the market. The less prosperous, weaker startups will drop out.

What about Polish startups?

An average Polish startup, if he's getting a round at all, is getting between 1 and 2 million zlotys, so between about €250k and €500k.

I would also like to mention the value of investments. It's a very big number – in 2021 it was €792 million and in 2022 by the end of the third quarter was €550 million. I think in 2023 there will be some kind of downturn and then another hike.

How does the Polish startup sector look compared to other European countries?

Our organization, Startup Poland, has a lot of brother and sister organizations in Europe and also outside of Europe. I would say we have similar problems. At our recent meeting in Brussels

POLISH STARTUPS LOOKING UP

Sylwia Ziemacka talked to Tomasz Snażyk, CEO of Startup Poland.



we talked about international expansion, which seems to be a problem for some of our startups. It turned out that startups for example in the Netherlands or France have the same problems. So sometimes we think that it is only us who have soft skills issues, but apparently people from other countries do too.

Looking at the bright side, definitely our strongest point is that everybody sees our talent. We have many talented young people that are getting older, wiser and more experienced. Many people graduate from the universities in Poland, in particular many female software engineers and this gives a lot of people confidence that they can start working on startups.

The weakness of our market is that we don't have so many private investors. That's connected to the lack of incentives. The tax incentives that we have are not so popular or maybe not well known to private investors. We also still don't have many exits from startups or many success stories to share.

But here I would like to stress that we have been building up this market since 2000, while Silicon Valley started in the 1950s and Israel's more or less at the same time. So I think we can give ourselves some space. I think we are on a good track, but we need more private investors and more exits.

Who is investing in Polish startups?

It's mostly Polish capital but of course we have also foreign capital engaged. We actually had the question in our survey „are you experiencing a decline in interest from foreign investors?” Only 7 proc. said yes. 55 proc. said it's difficult to say, so around 40 proc. said „no”. We see a decline in the value of the investment from foreign investors. However the number of investments is practically the same as it was in 2021. So I wouldn't say it's actually bad. I think there has been a lot of hesitation from investors because of the war in Ukraine, so I would say foreign investors will keep investing in Polish startups.

What is actually driving the startup sector forward and what are the hurdles? What would help us grow?

The main driver is public funding. And it has its pros and cons. I think for a few years or even a decade that public funding will be the main driver. The second main driver is the second or third time teams, the general partner teams that actually got the money from international investors and will be investing not only in Poland but also in the neighboring countries and wherever they can.

The hurdles – non predictable regulations, which are rapidly changing. In Poland we had the new 'Polish Deal' launched in 2022, so tax regulations and higher costs.

What are the key sectors that Polish startups are targeting?

The average Polish startup is a B2 B or focuses on the business client. So compared to other markets or to other places in the world we are business driven. So it's more business to business rather than business to customer or business to government.

The biggest number of startups is in AI and machine learning. After that you have productivity and management, analytics, research tools, business intelligence, HR tools, medtech, finance, financial services and fintech. But machine learning represents more than 20 proc. of companies.

Of course we have successful stories in business to customer services, like Booksy or Doc Planner, but the majority of concepts are related to B2 B services.

The areas you mentioned are very much in line with the

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In 2021, we asked question in our annual survey „do you have plans to enter foreign markets within the next 12 months?” More than 70 proc. said yes.

general business transformation, like AI or digitalization. But that also leads to another question whether we are ambitious enough to do internationalization. Most of the areas you mentioned are able to solve problems of clients not only in Poland but elsewhere.

In 2021, we asked this question in our annual survey „do you have plans to enter foreign markets within the next 12 months?” More than 70 proc. said yes. And there was a follow up question – „where do you want to go?” The first answer was the EU and Europe, followed by the US and Canada. There is a lot of potential and people are actually becoming aware that if they want to grow, they need to go beyond the borders of Poland. However, we still need to remember that the Polish domestic market is very big and some entrepreneurs want to learn how to walk before they learn how to run or fly. And they will focus on Poland.

Several years ago there was a concept that Warsaw will become a startup hub for the CEE region. Is it still the case?

I think we're going to have more than one hub in Poland that will be known outside our borders. Lower Silesia is number one. Wrocław is currently one of the best cities to begin startup projects in a great ecosystem. Dealroom, a global provider of data and intelligence on startups and tech ecosystems, pointed Wrocław as the second best European city to be and the most startup friendly ecosystem.

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Looking at the bright side, definitely our strongest point is that everybody sees our talent. We have many talented young people that are getting older, wiser and more experienced. Many people graduate from the universities in Poland.



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Private Equity funds have had to deal with the consequences of the pandemic and economic uncertainty and rising inflation over the last three years. According to the Central Europe Private Equity Confidence Survey report prepared by the consulting company Deloitte, the Central European market has thus gained experience in conducting investments and building business resilience even in difficult times, with flashes of optimism also confirmed by the Deloitte index, which – after a long period of decline – recorded slight increases.

In mid-2022, the sentiment index of the Central European PE industry, developed by Deloitte, was only 58 points, one of the lowest indications in its history (the decrease observed was comparable to that after the global economic crisis in 2008, when it decreased from 118 to only 48 points). However, a recent study shows that the downward trend has slowed down and regional investors have started to learn from the business cycles to effectively recognize the conditions necessary for successful trading. As a result, despite many adversities persisting in the global economy, the optimism declared by respondents increased slightly, with the index reaching 67 points.

The 20-year history of the Central Europe Private Equity Confidence Survey allows us to indicate a clear trend: economic downturns, such as the global economic crisis or pandemic, following years of market prosperity, each time end with a gradual recovery of the losses incurred and an improvement in the mood of fund representatives.

„The Deloitte index describes not only the attitude and condition of representatives of the Private Equity industry, but is also a reliable indicator of investors' market activity. We can expect that the recent increase in sentiment, albeit insignificant, will mark the beginning of another upward trend. This could be observed after each earlier cooling of the market. The last three years have



80% OF CEE INVESTORS EXPECT PROFITS IN 2023

According to the report Central Europe Private Equity Confidence Survey, prepared by the consulting company Deloitte, the number of PE funds expecting investment opportunities has doubled in the last six months.

brought much uncertainty, first related to the pandemic and then the war. The resulting declines in the index, however, have rescinded, and as shown by the data of the winter edition of the survey, over 80 proc. of respondents expect to be profitable this year. Within half a year, the percentage of funds expecting to be able to conduct investment activities more than doubled – in the summer of 2022, 18 proc. and today 41 proc.,” says Arkadiusz Strasz, partner in the financial advisory department at Deloitte, Transaction Services.

Greater investment activity, lower price expectations

According to the survey, declarations of confidence in the economy are showing the first signs of improvement, with a slight decrease in the percentage of respondents who expect the economic conditions to deteriorate to 79 proc., from 86 proc. in summer. Expectations of improvement are insignificant (3 proc.), but this is a better indication than in the previous survey, when no-one expected the situation to change for the better.

„Difficult conditions, a catalyst for not very optimistic expectations, affect the economy on a global scale and by no means only concern Central Europe. Inflation concerns remain globally, ongoing supply chain issues are affecting businesses, and energy, material and labor costs are rising rapidly. In early 2022, before Russia invaded Ukraine, the IMF hinted that these disruptions could last all year”, says Michał Tokarski, managing partner of Deloitte's financial advisory department in Poland, leader of the M&A Corporate Finance team.

However, survey respondents show some signs of optimism. In the previous edition, none pointed to the possibility of improving the availability of transaction financing sources, but this winter 3 proc. of respondents answered yes. While two-thirds of all survey participants still expect a decrease in liquidity in the first half of 2023, this is a slight decrease compared to 71 proc. from the previous study.

Deloitte experts also indicate that 40 proc. of transacting are

more likely to turn to credit funds and non-bank lenders, as it is more difficult for them to secure financing. At the same time, just over a third (34 proc.) experienced no changes in the availability of investment funds. Nearly a fifth (17 proc.) report that they now need more lenders to finalize deal plans.

The price expectations of bidders may also fall. Almost half of respondents (45 proc.) said this happened in the second half of 2022 and almost two-thirds (64 proc.) expect it to happen in the first half of this year. Expectations for the first half of 2023 are the same as in the summer survey, indicating a consistency of sentiment on how valuations could develop this year.

ESG factors as a tool increasing the value of the investment

“Private Equity funds operating in Central Europe are increasingly taking into account ESG issues in their strategies and activities, from initial declarations and intentions to measurable activities in this area. The percentage of respondents' commitment to the implementation of specific commitments and decarbonization goals increased by half, from 14 proc. to 21 proc. which is almost twice as much as in spring, and 40 proc. also said they had started developing them”, says Irena Pichola, partner, leader

of Sustainability & Economics Consulting CE, Deloitte.

More than half of the participants in the Deloitte survey (52 proc.) see the potential of ESG factors to increase the value of investments, which means an increase of 15 p.p. in six months. Every fourth respondent (24 proc.) considers them as part of a risk mitigation strategy that may pay off in the future – a significant decrease, from 39 proc. Also, indications of reluctance to include these issues in strategies was down (to 3 proc.) and those perceiving them as a cost (to 2 proc.) during the year.

52%

surveyed participants see the potential of ESG factors to increase the value of investments, which means an increase of 15 p.p. in six months.

More than two-thirds of funds in the CE region include environmental factors in their approach, either as part of their investment policies (47 proc.) or as post-deal improvements (19 proc.). These values have not changed much over the last six months, which, according to Deloitte experts, may suggest that when choosing transactions, shareholders' expectations regarding the use of ESG issues in investments and portfolio management are taken into account. The only surprising thing is that others have not yet followed suit.



The winter edition of the survey, over 80 proc. of respondents expect to be profitable this year. Within half a year, the percentage of funds expecting to be able to conduct investment activities more than doubled.

How would you define the nature of business relations between Poland and France?

Poland is one of the largest and most important economic partners for France in Central and Eastern Europe. Our mutual economic relations have a long tradition and began long before Poland joined the European Union. At the beginning of the 1990s, French companies began to appear in our country, both larger and smaller investors, many of whom are still in Poland today. This shows that French business from the beginning looked at Poland as a long-term and prospering market. Today, these relations are so deep that many companies are now deeply embedded in the Polish economic panorama.

France, according to the latest NBP data, is the second largest foreign investor, taking into account the origin of the parent company. There are nearly 1,100 companies with French capital.

The cumulative value of French investments in Poland amounts to 88 billion zlotys (approx. 20 billion euros), and foreign companies provide more than a third of all investment spending in Poland.

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France, according to the latest NBP data, is the second largest foreign investor, taking into account the origin of the parent company. There are nearly 1,100 companies with French capital.



LONG LIVE FRANCO-POLISH BUSINESS CHAMPIONS

Sylwia Ziemacka talked to Joanna Jaroch-Pszeniczna, General Director of the French-Polish Chamber of Commerce.

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The value of the trade exchange last year amounted to more than 120 billion zlotys.

An increasing number of Polish companies are also developing in France, winning local contracts and taking over existing companies.

French companies created over 200,000 direct jobs and at least as many indirect ones – at suppliers, local partners, etc. Nearly 100 proc. of all employees in companies with French capital in Poland are Poles and in most of them the leading positions on management boards are also held by Poles.

France has also become the third largest market for Poland, which translates into a growing balance of trade between our countries, but also provides greater opportunities for Polish companies that export their products to France. The value of the trade exchange last year amounted to more than 120 billion zlotys.

An increasing number of Polish companies are also developing in France, winning local contracts and taking over existing companies. In fact, this is one of the main ways Polish firms are expanding on the French market, used by companies such as Inpost, which acquired Mondial Relay, and Wielton, which bought 100 proc. of Fruehauf.

What are the major sectors today and those you expect to grow in the future?

The industries in which French companies have invested the most in Poland are: retail (Carrefour, E. Leclerc, Auchan, Castorama and Leroy Merlin), manufacturing (Saint-Gobain, Valeo, Michelin and Stellantis), professional, scientific and technical activities (Publicis groupe and Havas), construction (Warbud, Eurovia, Bouygues Immobilier and Unibail Rodamco Westfield), finance and insurance (BNP Paribas, Credit Agricole and Societe Generale), transport and logistics (Geodis and FM Logistic) as well as telecommunications and IT (Orange and Iliad groupe – Play) or agri-food sector (Wyborowa Pernod Ricard, Bonduelle).

Poland is also on the path to reducing its carbon footprint and French firms have set the goal for their branches across Europe, including Poland, of becoming carbon neutral in the coming decades and some should even meet this deadline by 2025. That's why technologies that can help meet this aim are more than welcome in Poland.

We observe growing demand for solutions increasing the energy efficiency of buildings, onshore, offshore or biomass. There is also still an opportunity for nuclear energy. France's EDF was one of three bidders for the construction of a nuclear power plant in Poland, which will be one of the

elements ensuring Poland's energy stability and decarbonization. Even if at this point other technologies have been selected for the construction of the first power plants, there is still a great openness from France to cooperate in this area also in the field of small SMRs.

In the area of developing a European industry based on innovation and digitalisation, together we can create European champions to compete with the US digital giants. So we can count on a concerted partnership here, as both sides realize that only joint projects can bring success. Besides, such pan-European cooperation is already happening, for example in the area of automotive battery development.

Cooperation in infrastructure, both rail and road, is also crucial. French high-speed rail SNCF is working with Polish rail, PKP, to develop an access network and develop infrastructure for Poland's planned central transport port.

Poland also has a huge role to play in the process of rebuilding Ukraine. Our country can become a strategic logistics hub for foreign, including French, investors to operate in the Ukrainian market.

France is among the countries with the largest scale of reinvestments in Poland. What attracts French investors to Poland?

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Cooperation in infrastructure, both rail and road, is also crucial. French high-speed rail SNCF is working with Polish rail, PKP, to develop an access network and develop infrastructure for Poland's planned central transport port.



Gala of the French-Polish Chamber of Industry and Commerce 2023

Joanna Affre, Vice president of the CCIFP, Fabrice Audan, President of the CCIFP, Joanna Jaroch-Pszeniczna, General Manager of the CCIFP, Stefan Leyshon

Nearly half of their profits are re-invested in Poland, which translates into increased production capacity and employment. For the last 10 years French companies have reinvested more than 22 billion zlotys of their profits in Poland.

This proves that French companies are long-term investors that focus on organic and continuous development in Poland.

Engaged and multilingual employees, with an entrepreneurial business spirit, and IT expertise are the key factors stimulating growth and convincing firms to reinvest in Poland.

How has the perception of the Polish market by French / foreign investors changed since the outbreak of the war?

The outbreak of war in Ukraine came as a great shock to everyone. Businesses also did not expect such a situation and did not have a prepared course of action and this is why new investors held back on starting new projects. However, after 2-3 months, when the hostilities moved eastwards, we again saw interest in the Polish market, also in the context of plans for the reconstruction of Ukraine. At the end of last year, a Polish-French Forum was held in Krakow with the participation of the Polish and French economy ministers, as well as a delegation of several French companies, and one of the topics was the issue of rebuilding Ukraine.

Sustainable development is a mega trend in business. How are French companies



looking at this topic here in Poland?

Obviously Poland, with its current energy mix, faces a challenge to meet the carbon neutral goals that many companies want to achieve by 2050 or some by 2030 or even sooner.

As this topic is crucial for our members, our Climate Committee prepared the 'White book' of the energy transition in which we outline various postulates. Polish legislation, for example, needs to enable change in the energy mix in production and industrial companies. We are talking with decision makers and presenting them with international solutions.

I believe that through these activities Poland can benefit from reducing its carbon footprint, introducing technologies which will help green industries

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For the last 10 years French companies have reinvested more than 22 billion zlotys of their profits in Poland.

and become more competitive thanks to having access to cheaper energy.

What's the potential for Polish companies to expand in France? Do you see this happening and what are the key barriers?

Poland is known for its good quality products, like woodwork, especially windows and doors. But we need to keep in mind that France has a lot of different requirements when it comes to certification of goods, before they are allowed on the market.

Polish IT companies are ready for internationalization. The pandemic time turned out to be beneficial for this sector. Polish companies worked on their products, improving them, and once they had conquered the Polish market, are now ready for expansion. For example, Comarch in the e-health sector. Another example is InPost, one of the biggest Polish logistics operators, which has just taken over a French logistics company. Thanks to this acquisition, French people can enjoy more convenient access to modern forms of e-commerce. What's

more, they can encourage small Polish companies to sell their products to France or other European countries.

What are the key initiatives of the French-Polish Chamber of Commerce?

In 2023, we will continue the development of French-Polish business relations. We would like to represent the voice of French companies by strengthening our sectorial committees and our presence at economic forums in Poland (e.g. at Impact in Poznań and Forum in Karpacz). Our aim is to support SMEs by establishing a Forum dedicated to SMEs.

Additionally, we are thinking about setting up an „Exporters Club” to help Polish companies sell their products in France and plan a commercial mission for Polish companies interested in entering the French market.

I always ask about business culture and differences worth understanding or acknowledging to better perform in bilateral relations. What are these between French and Poles?

First of all, avoid calling a French business partner between 12 and 2 pm, they are having lunch. Secondly, a French business partner would prefer to have dinner with you before signing a contract to get to know you better, establish a relationship first without talking business, while the Polish counterpart is used to dining after signing a contract. It is essential that both parties have patience to understand one another and respect cultural differences.

Luxembourg-Poland business cooperation

Finance Minister Yuriko Backes traveled to Warsaw on January 26 and 27 to meet Polish Finance Minister Magdalena Rzeczkowska.

Finance Minister Yuriko Backes also took the opportunity to participate in the 4th „Luxembourg-Poland Business Conference” in the presence of her Polish counterpart and Vice-President of the European Investment Bank, Teresa Czerwińska.

During the meeting, the finance ministers of Luxembourg and Poland discussed bilateral cooperation in the financial field, progress at the Ecofin Council, the macroeconomic situation, the war in Ukraine, as well as the respective priorities in sustainable finance. The ministers also agreed to strengthen exchanges in this area.



Minister Yuriko Backes: „In 2016, Poland was the first country in the world to issue a sovereign green bond, which it posted on the Luxembourg Green Exchange. Last

year, my counterpart started the process to set up a roadmap for sustainable finance in Poland. As a leading financial center and international platform for sustainable investments, Luxembourg can act as a partner of Poland in its efforts to leverage sustainable finance for the green transition of its economy”.

In his speech at the conference under the theme „The future of sustainable finance – strategy and digital initiatives in Luxembourg and Poland”, bringing together start-ups, professionals from the financial sector and representatives from the world of private equity and venture capital, Minister Backes highlighted the role of sustainable finance and digitalization in developing a low-carbon economy as well as the potential of fintech and venture capital to drive innovation in this context.

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Minister Backes highlighted

the role of sustainable finance and digitalization in developing a low-carbon economy as well as the potential of fintech and venture capital to drive innovation in this context.

„The EU's response to the pandemic has been to favor growth-enhancing investments in the ecological and digital transition. This dual transition will make the European economy not only more resilient, but also more competitive and will strengthen Europe's role as a global leader in the fight against climate change”, Minister Backes said.

WIND BLOWS IN THE RIGHT DIRECTION

Sylvia Ziemacka talked to Elro van den Burg, Project Initiator of LinkedbyOffshoreWind.



You are an initiator of the organization called Linked by Offshore Wind. Can you tell us more about the background of creating this organization. What type of companies are a part of the Linked by Offshore Wind and what are you aiming for?

Linked by Offshore Wind is a public private partnership where the Dutch governments and private sector connect. We have 14 Dutch companies from the offshore wind sector and they cover a broad range along the supply chain for constructing offshore wind.

It ranges from multinationals to startups. We have companies that can do research of the sea on the seabed and offshore construction companies. We also have a lot of maritime companies in the group, and that's what the Netherlands is known for. Some of our companies are in the starting phase with the research. Others are more in the operations and maintenance phase. They can help each other share information. And that really works well.

Together we are aiming to enter the Polish market, looking at the long-term potential that will ensure that both the Poland and the Dutch sides benefit. We



You need to build up longer relationships both ways. The Netherlands is developing a lot of offshore wind. Poland also has its own specialties. We would like to help the Polish side develop its sector and maybe in a due course find common projects in the Netherlands.



Representatives of the Netherlands government and Dutch member companies that are participating in LinkedbyOffshoreWind. This public private partnership operates on the Polish market to exchange knowledge and increase business between the two countries.

think that starting this journey alone won't really work. You need to build up longer relationships both ways. The Netherlands is developing a lot of offshore wind. Poland also has its own specialties. We would like to help the Polish side develop its sector and maybe in a due course find common projects in the Netherlands.

At what stage of development is Poland with the offshore investments?

According to the Polish Wind Energy Association, Poland's offshore wind potential is 33 GW. If the Baltic's total potential is exploited, offshore wind power could meet as much as 57 proc. of Poland's total electricity demand.

There is no offshore turbine working yet. The first one should be ready by 2026 – that's what we hear at the conferences right now. RWE says they will complete their first project in 2026.

If you look at the total amount of power by 2030 it was said that 5.9 gigawatts should be ready and even recently the Polish government increased that amount to about 12 gigawatts.

I think we should look realistically at the markets and remember that a push for offshore wind is all around the world. We see huge investments in the Netherlands, France, Japan, also

elsewhere in Asia and there's only so much capacity. I would say that the capacity becomes very scarce at the moment.

We, the Dutch, are very experienced in the maritime area. One of our members' companies – a shipping company – has huge ships, only a few of them in the world at the moment. They are necessary for construction, services and maintenance of wind offshore farms. You can call this company and book a slot for the vessel. They will offer you a certain slot in but if you don't take it, you will need to wait maybe a whole year for the next one.

That is the situation at the moment. So planning is important – everybody wants to increase their capacity and it is becoming scarce.

How do you see at Poland versus the other countries?

Actually Linked by Offshore Wind is active only in Poland. We are connecting the Dutch with the Polish side and vice versa. But of course, we have an overview of what's elsewhere.

Poland has a big potential because of its size. It also has the potential to attract to this sector not only investors but also the supply chain. Our companies see that it's interesting work for them. And it's not only about Poland but also the Baltic states.



I think it's good at the beginning to work more with international companies and make them help build the first projects, gain knowledge and then start building your own local content instead of focusing too much on that because that might be a risk.

But there are also obstacles. There's a big discussion going on at the moment concerning local content. I totally understand this and it's a fair discussion. Poland wants, of course, not only to build the industry, but also to get its local knowledge and the local workforce involved in the projects.

What is not exactly clear, is which percentage should be local content. In my opinion, there is a little bit too much focus on local content. If you do that too much, you might miss the moment. I think it's good at the beginning to work more with international companies and make them help build the first projects, gain knowledge and then start building your own local content instead of fo-

cusing too much on that because that might be a risk.

Your perspective is very interesting because you've been in the Polish business, in the Polish environment for many years. Do you see this offshore sector as being easily accessible for international companies?

Yes, it's easily accessible. But what is a little problem is that every country that starts offshore wind is trying to find out the best way to build up the industry. I see that from the Netherlands. It was also struggling at the beginning. I see that Poland is sometimes struggling with that, but at the same time, I know that as the Netherlands we can help. We already have so much knowledge about this.

As the Linked by Offshore Wind, are you aiming for B2 B cooperation or business to governance or maybe academics?

Actually, all three of them but the main one is B2 B cooperation, but also cooperation from government to government.

What's on your agenda for 2023?

Being busy. There's so much going on in the market at the moment. There are many conferences. You need to show yourself, you need to make connections. That's very important.

We're also organizing our own mission to Poland on February 22 to 24 this year. We go to Gdańsk and Gdynia, which is quite obvious, but also we go to Szczecin, a city is gaining importance in the offshore wind industry.

Polenergia completes its largest wind farm

Polenergia has launched the Dębsk Wind Farm on the Northern Masovian Plain, with a capacity of 121 MW, the largest onshore Renewable Energy Sources (RES) investment in the company's history and at the same time one of the largest wind farms in Poland. After the launch, the total portfolio of Polenergia's green investments is up by 35 proc. to 472 MW.

The Dębsk Wind Farm is Polenergia's eleventh on-shore wind farm. It comprises 55 V110-2.2 turbines. Fifteen wind turbines were built in Kluczbork-Osada county and the remaining 40 in Żuromin county. The turbines' gondolas are assembled at the height of 120 m, while the diameter of the blade is 110 m. The total height is 175 m.

The estimated annual production of the Dębsk Wind Farm is approximately 366 GWh, which corresponds to demand for electricity of 183,000 households. This means that all residents



photo credit: Polenergia

of Ciechanów, Mława, Płońsk, Pultusk and Żuromin counties may be fully supplied with green wind energy. When working at full capacity, within just one minute the farm can produce

electricity that is needed by one household for a year. One turbine, working at full capacity, within a minute can produce electricity for an electric vehicle to drive almost 200 km.

„Commencement of construction of the largest investment in the history of Polenergia took place in the mid-2000 s, a mere eight weeks after the announcement of the group's new

strategy. Difficult times related to the pandemic and adverse macro-economic environment have not affected the performance of this project for even a moment. We are proud to add the Dębsk Wind Farm to active projects and are strongly increasing our green generation capacity, which makes Polenergia leader of New Energy”, said Michał Michalski, President of the Management Board of Polenergia.

Completion of the Dębsk Wind Farm is a significant step in the Polish green transformation. Within a year, it will be possible to avoid emission of pollution of 318,000 tons of CO₂, 299 tons of SO₂, 302 tons of NO_x, 106 tons of CO and 18 tons of dust. The investment will also reduce the use of hard coal by 168,000 tons annually, which significantly changes the national energy market and develops a zero emission economy fully reliant on RES.



Pomerania opens doors to offshore industry

Some 300 people will gain marketable professional qualifications thanks to EU funding. Invest in Pomerania, a local government initiative coordinated by the Pomerania Development Agency, signed an agreement with the Center for New Skills on January 16 to implement a series of training courses preparing for work in the maritime and offshore industry.

The Invest in Pomerania Academy project aims to increase the number of people with the most sought-after skills on the local labor market. The needs of industries related to selected areas of Pomerania's Intelligent Specializations – including the offshore sector – are particularly taken into account. Such activities are also an important investment incentive for entrepreneurs choosing Pomerania as a place to do business. „In recent years, the port and offshore industry has been developing at a remarkable pace in Pomerania. Wharves are consistently increasing their re-loading capacity and warehouse space

in the voivodeship is growing steadily. The specializations we have prepared have been created in response to market needs and we are convinced that the participants of the training courses will be able to choose from a wide range of job offers”, says **Monika Stokfisz, Invest in Pomerania Academy Coordinator.**

The Academy programme includes six specializations. The Center for New Skills will train participants in the following professional areas: terminal tractor, specialized crane, tower crane, reach stacker and trolley operators. A total of 300 people will receive new qualifications – 150 Polish speakers and the same amount of non-Polish speakers. The planned training for foreigners is intended to help integrate and activate immigrants in the labor market.

more: investinpomerania.pl



Poland's first large-scale solar and wind farm

ING Bank Śląski (loan agent), PKO Bank Polski and mBank are in a consortium of banks that have granted loans of PLN 776 million for construction of the Kleczew Solar & Wind project, belonging to the Lewandpol Group. The project is supplemented by a subordinated loan granted by the Polish Development Fund (PFR).

Kleczew Solar & Wind will be the first large-scale power plant in Poland combining solar and wind energy. The farm was located in post-mining areas in the Konin district, in the Wielkopolskie Voivodship.

It will be one of the largest renewable energy parks in Central and Eastern Europe, as well as the first large-scale project in Poland combining solar and wind energy. In the first stage of the project, the construction of which has already started, 193 MWp of photovoltaic panels and approx. 12 MW of wind turbines will be con-

nected to the grid. Thanks to the use of advanced technologies, including modern n-type photovoltaic panels, the energy generated in the power plant in Kleczew will meet the demand of approx. 100,000 households. In the next stages, the power plant can be enlarged to approx. 250 MWp in the solar part and additional wind turbines and energy storage facilities. Energy from the farm in Kleczew will flow to consumers in 2023.

The Kleczew Solar & Wind project was prepared by E&G from the Lewandpol Group as the investor and Ergy as the project's asset manager and financial advisor to the investor. The transaction was carried out with the support of DNV as an independent technical advisor and the law firms CMS (the adviser to the borrower), Norton Rose Fulbright (the adviser to the consortium of banks) and GESSEL (the adviser to the PFR).



LITHUANIAN BUSINESS INVESTS EUR 8 MILLION IN LSSE

A nearly 12-hectare plot of land belonging to the Legnica Special Economic Zone has been sold. A multifunctional transportation hub, Finėjas Polska, will be established in the LSSE Krzywa subzone. The Lithuanian company's investment in the first stage alone will amount to EUR 8 million.

The investment in the LSSE Krzywa subzone, in connection with the establishment of the Finėjas Polska multifunctional transport hub, involves the creation of an office and a drivers' center. The investor says that training will be conducted there, among other things, and the facility will also be responsible for road transport maintenance. Motel and parking functions were not forgotten during the planning of the investment.

Przemysław Bożek, president of the Legnica Special Economic Zone, says that this is another important investment in the region and the preliminary design already shows how multifunctional this hub will be.

„The LSSE Krzywa subzone will soon be home to a logistics center that will be important

not only for Lower Silesia, but also for the European transportation and shipping industry”, Bożek says.

The task will be implemented in stages, including the construction of buildings with a total area of 11,000 square meters and a parking lot with an area of 60,000 square meters.

„Poland is our long-term direction and this region suits us geographically. We have bought and invested in 250 trucks and trailers. Investments are currently being made in Poland

in the land and infrastructure necessary for the long-term and sustainable development of the transportation business”, says Vaidotas Lenkys, CEO of Finėjas Management Board and member of the Council of Finėjas Poland Sp.z.o.o.

The logistics center is scheduled for completion in the second quarter of 2024.



photo credit:LSSE



The LSSE currently has 85 investors from many corners of the world, nearly 1,400 hectares of investment land. More than PLN 12 billion in investments and – most importantly – more than 20,000 jobs.

Finėjas is a group of five companies performing international cargo transportation and comprehensive logistics services. The group has a rich and long experience in the industry and is recognized in Europe for its high quality services and long-term partnerships. The companies in the group continuously adapt to the needs of the market, observing business changes and technological advances.

LSSE: 85 investors and more than 20,000 jobs

The Legnica Special Economic Zone operates in southwestern Poland, in the Lower Silesian Voivodeship (including Wrocław), one of the most dynamically developing areas in Poland. The LSSE currently has 85 investors from many corners of the world, nearly 1,400 hectares of investment land. More than PLN 12 billion in investments and – most importantly – more than 20,000 jobs.

Rohlig Suus Logistics opens second warehouse in Podlasie

Rohlig Suus Logistics, the largest Polish comprehensive logistics operator, has opened a new warehouse in Choroszcz (Białystok powiat) and increased its warehouse logistics potential in Podlasie by a third.

The first branch of the company has been operating in Białystok since 2010, offering warehousing, forwarding and customs agency services. Thanks to the launch of a new warehouse in Choroszcz, the operational capacity in the field of contract logistics of Rohlig Suus Logistics in the Białystok agglomeration increases twofold. The new facility occupies an area of 2,800 sqm, which means that the total warehouse space of Suus in the region is already 7,300 sqm. The facility in Białystok has a customs agency with a temporary storage warehouse and a permit to use simplified procedures, which greatly facilitates and speeds up the clearance of goods. The Suus customs agency will start operat-

ing in the second quarter of this year in Choroszcz.

„Thanks to its excellent location, better and better infrastructure and initiatives such as the Suwałki Special Economic Zone and Via Carpatia, Podlasie is developing faster. For many companies from all over Poland, Białystok is an important link in their supply or distribution chain as part of trade with the Baltic countries. This means the region's constantly growing demand for professional logistics services. The demand for warehouse services is still greater than the availability of space on the market”, says Adam Galek, member of the management board of Rohlig Suus Logistics.



In the branch in Choroszcz, as in the warehouse in Białystok, Rohlig Suus Logistics offers primarily warehousing, reloading, e-commerce services, but also a wide range of value-added services (all kinds of activities related to repackaging, picking, creating sets, labeling, etc.).

„For our customers, it is crucial to be able to take advantage of a comprehensive offer – one logistics operator should provide forwarding, warehousing and

customs services, but also – if necessary – repackage the goods and prepare shipments in accordance with the needs of end recipients. That is why for many years we have also been developing all kinds of added services in Białystok, such as co-packing, labeling, adding samples or banding. Thanks to the concentration of all competences in one place, we are able to offer efficient and fast service”, says Grzegorz Paw-nuk, director of the Rohlig Suus Logistics branch in Białystok.

The beginning of the year brought a significant development in Rohlig Suus Logistics' expansion thanks to the acquisition of 100 proc. of shares in Expert, a company specializing in professional deliveries from stationary and online stores to end customers – also in installation services: from furniture assembly to gas and electricity installations or assembly of RTV and household appliances in accordance with customer guidelines.



TSL INDUSTRY ACCOUNTS FOR 6% OF POLISH GDP

The Polish Economic Institute in the report "The TSL industry in the face of autonomization and war" published in January 2023 analyzes the size, structure and challenges of the Polish transport, logistics and forwarding industry.

Transport, forwarding and logistics (including passenger transport) remains one of the most important parts of the Polish economy. In 2021, it generated 5.7% of Polish GDP and employed 951,000 people, about 6% of the Polish workforce. At the same time, Polish drivers transported 19% of goods on the intra-EU market, taking first place in this category ahead of Germany and Spain.

Transport and warehouse management employees are the third (after trade and education) largest occupational group in the service sector. At the end of 2021, it had 950,600 employees, with 51% of employees in the sector involved in road transport of goods, 16% in storage, and 11% in courier and postal services.

"The narrowly understood TSL industry includes employees

dealing with the transport of goods - excluding personal transport. Data from 2019 indicate that 480,000 people are involved in road freight transport, 147,000 in storage companies and 102,000 in postal and courier companies. Compared to the rest of the EU, in Poland we have a much higher percentage of people involved in road freight transport," says Jacek Grzeszak, the author of the report.

Polish enterprises in 2021 accounted for 19.8% of transport performance (transports performed measured in tonne-kilometers) within the EU, ahead of Germany and Spain.

Such a large share in the common market is related to the international expansion of Polish companies. The domestic transport market in Poland is correspondingly lower than

Germany, France or Spain, but Polish companies handle a significant percentage of operations within neighboring countries (cabotage) and between these countries (cross-trade). In the case of the Germany-France relationship, Polish companies provide services to 20% of transport performance (calculated in tonne-kilometers). The position of Polish companies on the European market is also due to the competitive price level compared to the countries of the "old

EU," says Paweł Leszczyński, head of the strategy team at PIE.

The impact of the war in Ukraine on the TSL industry

The outbreak of war in Ukraine did not cause a mass outflow of workers from Ukraine employed in the transport industry. Most of the surveyed owners and employees of transport companies declared that their companies did not feel directly the consequences of the start of the war and the mobilization of men in Ukraine, but almost everyone knows entities that had problems because of it. The MIK survey carried out by BGK and PIE shows that 7% of companies said that since the outbreak of war they no longer employ Ukrainians.

TSL is divided on autonomization

Autonomization of trucks is currently indicated by analysts as more likely than the automation of passenger vehicles. In the case of trucks, the economic benefit is more visible - related to both the improvement of road safety and the reduction of fuel consumption, shortening of vehicle downtimes and

reduction of labor costs. The analysis carried out in 2020 by PIE showed possible annual savings for the TSL industry of PLN 2 billion on labor costs and 1.3 million m³ of fuel (at current prices, PLN 8.5 billion). However, industry representatives are divided on the assessment of automation.

"There are three groups of thought about automation. The first consists of skeptics who either are not interested in new technologies in transport, or are interested, but treat autonomy as unrealistic. The second type of approach is represented by entrepreneurs and industry employees who are interested in technological innovations and support them (optimists). The third group (realists) are people who believe that further automation is inevitable, but at the same time remain concerned about how it will affect the market and who will benefit from technological changes. Summing up, the TSL industry will not automate too quickly, but because it operates in niches, its position in the EU will be unthreatened," notes Leszczyński.



Most of the surveyed owners and employees of transport companies declared that their companies did not feel directly the consequences of the start of the war and the mobilization of men in Ukraine.



Kraków

REGIONAL CITIES OVERTAKE WARSAW OFFICE MARKET

According to ‘Office Occupier: the Regional Office Market,’ a report published by real estate advisory firm Newmark Polska, in 2022 Poland’s regional city markets overtook Warsaw in terms of total modern office stock. Their overall vacancy rate held firm amid moderate development activity.

“Leasing activity bounced back, with tenants largely seeking offices featuring modern technologies that optimize office lease expenses and bring long-term savings,” says Anna Osiecka, Associate Director, Office Tenant Representation, Newmark Polska. “Rental rates are, however, likely to hold firm in the coming quarters as office availability remains high in both existing buildings and projects in the pipeline.”

At the end of Q4 2022, the combined office stock of Poland’s eight largest regional city markets (Kraków, Wrocław, Tricity, Katowice, Poznań, Łódź, Lublin and Szczecin) amounted to over 6.4 million sqm, surpassing that

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At the end of Q4 2022, the development activity in Poland’s key regional cities was broadly unchanged over the quarter, with total stock under construction comprising approximately **583,000 sqm**, down by close to **21%** year-on-year.

of the capital by close to 3%. And given the regional development activity, regional cities are poised to further outpace Warsaw. Last year’s total new office supply reached 405,250 sqm, up by close to 80% from 2021, but down by almost 26% on the peak year of 2019, which witnessed nearly 547,000 sqm come onto the market.

Development activity was the strongest in the first quarter of the year, accounting for over 60% of last year’s total new supply. The largest office completions in 2022 included the A1 and A2 of the Global Office Park in Katowice (55,200 sqm, Q1), KTW II in Katowice (39,900 sqm, Q1), Midpoint71 in Wrocław (36,200 sqm, Q1) and Brain Park’s buildings A and B in Krakow (31,000 sqm, Q4).

At the end of Q4 2022, the development activity in Poland’s key regional cities was broadly unchanged over the quarter, with total stock under construction comprising approximately 583,000 sqm, down by close to 21% year-on-year.



Wrocław

“Office development under construction is currently around 35% below the average for 2015-2019, when around 900,000 sqm on average came onto the market annually,” says Agnieszka Giermakowska, Research & Advisory Director, Newmark Polska. “This shows that developers remain cautious about commencing new projects, closely watching the market, especially occupier demand and the overall macroeconomic situation.”

Q4 2022 was the best-performing quarter in the core regional markets in terms of leasing activity throughout 2022, with close to 174,700 sqm of office deals, up

by over 65% over the previous three months. In 2022, the total take-up in the largest regional cities surpassed 623,250 sqm, representing an almost 5% increase on 2021, with regional occupier activity gradually returning to pre-pandemic levels. Last year’s regional office take-up came predominantly from the IT and business services sectors: 26% and 19%, respectively. Manufacturing came third, accounting for 11% of the total leasing volume.

New leases accounted for 48.6% of the total regional city office take-up in 2022, followed by regearing and renewals (30.4%). The remaining 21% was spread across pre-lets (10.4%), expansions (6.2%) and owner-occupier deals (4.4%). However, regional cities – just like Warsaw – also witnessed a shift in occupier interest toward lease renegotiations and renewals which made up 40% of the total leasing activity in Q4 2022.

At the end of Q4 2022, the overall vacancy rate in the core regional office markets remained virtually unchanged from the third quarter at 15.3% (up by 0.1 pp), but edged up by 1.2 pp year-on-year. Combined office availability in the eight regional city office markets amounted to 985,100 sqm.



Szczecin

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“Office development under construction is currently around 35% below the average for 2015-2019, when around **900,000 sqm** on average came onto the market annually,” says **Agnieszka Giermakowska, Research & Advisory Director, Newmark Polska.**



POLES ON MODERN CITIES: USABILITY OVER TECHNOLOGY

We look at the results of the Otodom study and presentation of the findings of the ThinkCo report "Innovative cities - living, working and living in tomorrow."

Although, according to data from the 2021 National Census, 60 proc. of Poles live in cities, we are still learning how to build them and adapt them to the evolving needs and expectations of their residents. In the face of the difficult situation in the country and in the world, smart cities can become a technological answer to the current challenges. So, to what extent should innovations change our living environment and are we ready for it? These questions are answered by the authors of the ThinkCo report „Innovative Cities – Living, Working and Living Tomorrow”.

The value of the global market of smart city solutions is already over 1.2 trillion and it is expected to increase sixfold by the end of the decade. Proptech, inextricably linked with the concept of smart cities, is growing by 16.8 proc. yoy and is expected to be worth over \$80 billion by the end of the decade. However, these numbers do not come out of nowhere – they are a reflection of interest in investing in technology in the real estate industry. According to research, as many as 88 proc. of the 167 largest cities in the world have already made investments in the cloud, 86 proc. in mobile devices and 84 proc. in the Internet of Things (IoT).

What is a modern city?

However, the implementation of technology as a response to

the creation of smart cities is not enough. Innovation should be used in such a way as to meet the expectations and solve real problems. Which of them are the most important for the inhabitants today? Users of Otodom and Obido were asked about this.

When asked what should characterize a modern city, respondents most often pointed to apartments at a good price and quality (17.2 proc.), efficient public transport (16.5 proc.) and care for the environment – understood as the implementation of eco-solutions. These are also the issues Poles stress when asked what was lacking in their cities: apartments at a good price and quality (26.2 proc.), efficient public transport (13.6 proc.) and care for the environment (11.4 proc.).

“The experiences of the last three years have caused some people to change their expectations regarding their place of residence, but also to re-evaluate their priorities. We pay more attention to being able to pursue our passions, to easily satisfy our needs, to feel good in the place where we live. It is not surprising that respondents consider what they encounter every day to be the most important. Access to good quality housing, financially accessible and efficient transport – regardless of whether it is city, car or bicycle, is a universal list of priorities for every

urban center. Do these solutions require modern technologies? There is probably no other way today. However, looking at the respondents’ answers in the context of their own apartments and the large number of ‘I’m not interested in these solutions’ replies, it can be assumed that it is not technology, but usability that should be what characterizes innovative urban solutions”, says Ewa Tęczak, a real estate expert at Otodom.

Poland has a lot to be proud of

According to the research agency ESI Thoughtlab, Polish cities have not made any pioneering efforts in the field of smart city solutions. Their study on urban solutions for the modern world shows that Poland is still dominated by thinking about smart cities mainly through the prism

of technology. And yet, we have examples of modern cities that, apart from introducing innovations from the digital world, respond to the needs of residents on a different level and involve them in social dialogue.

We will still find the most innovative solutions in large cities, e.g. intelligent transport systems in Kraków and Poznań, an autonomous vehicle in a cemetery in Gdańsk and e-parking control in Warsaw. However, smaller centers also have a lot to offer, such as Grudziądz and Ciechanów, with solutions that improve the collection and segregation of waste, and Przemyśl with water level monitoring.

My city and in it a smart apartment

More and more is being said not only about smart cities, but also about apartments. It is estimated that by 2026 the global smart home market will grow by 125 proc., reaching \$205 billion. In turn, on the Polish market, revenues in this segment are expected to double by 2026 to over \$720 million. The same statistics show that the room for growth will still remain large: it is estimated that in 2026 in Poland there will be

a smart apartment or house in 2.7 million premises.

Does this mean that every fifth household will be able to afford such a flat? Are Poles ready to invest in smart home solutions? When asked what aspects of modern buildings and apartments they pay the most attention to, Otodom’s survey respondents indicated effective energy management (15.5 proc.), high comfort of use (15.2 proc.) and increased safety (12.8 proc.). It turns out, however, that a very large group of people are not interested in any technological solutions dedicated to housing, which may prove that they are less aware of their usefulness.

“In the last year, we could observe an increased interest of Poles in systems that produce or save energy. Not only photovoltaic panels or heat pumps, but also much ‘smaller’ solutions such as intelligent heating and lighting control systems can be a quick response to inflation and rising costs. And they are available to the average user”, says Przemysław Chmizak-Bratkowski, managing partner at ThinkCo.

The expert also notes that in new construction, solutions that are starting to be treated as a standard element of equipment, and not a smart addition, are becoming more and more important, but also more common.

„The presence of parcel lockers and access control systems is important in residential estates. In turn, chargers for electric cars and mobile applications for communication with the manager, while reporting faults are gaining importance. In a few years, they will be as normal for residents or tenants as a video intercom, system key or electronic utility billing, which was considered a technical novelty a few or a dozen years ago”, adds Chmizak-Bratkowski.

”

It is estimated that by 2026 the global smart home market will grow by 125 proc., reaching \$205 billion. In turn, on the Polish market, revenues in this segment are expected to double by 2026 to over \$720 million.

Find us on the EU airports



CAPITAL PARK AND PANATTONI NOMINATED FOR MIPIM AWARDS

This year's MIPIM Awards are focused on ESG. Some 186 projects from 38 countries were submitted to this year's competition, with the winners to be announced at the MIPIM Awards ceremony on March 16 at the Palais des Festivals in Cannes.

Panattoni Danfoss BTO has been shortlisted for MIPIM Awards 2023 in the Best Industrial & Logistics Project category.

”

The production and business centre built for Danfoss by Panattoni in Grodzisk Mazowiecki is a 13,000 sqm building complex.

The Danfoss factory, developed in Grodzisk Mazowiecki by the Panattoni BTS team, fits the competition criteria perfectly. The project, set to exceed market expectations and legal standards, is distinguished by being carbon-neutral at the operational level, which was achieved through energy efficiency measures, heat recovery and the transition to renewable energy sources.

The production and business center built for Danfoss by Panattoni in Grodzisk Mazowiecki is a 13,000 sqm building complex. It was built within

the company's existing campus, supporting the relocation of production from Denmark to Poland. It is the first Danfoss facility in the world to be characterized by carbon neutrality at the operational level.

The new plant produces, among other things, energy-efficient valves for industrial and commercial refrigeration systems and solenoid valves for various water tap applications. The manufacturing section accounts for 7,200 sqm, with a further 2,000 sqm dedicated to office, laboratory and staff facilities, 2,000 sqm for a warehouse and 1,200 sqm for a technical building. The facility has been equipped with advanced automation and robotics technologies.

Fabryka Norblina is shortlisted in two categories: „Best mixed-use project” and „Best urban revitalization project”.

The Norblin Factory is a multifunctional complex in the heart of Warsaw's Wola district. After many years of revitalization of the former Norblin plants, Bracia Buch i T. Werner reopened to the city, delighting visitors with its historic buildings, in which modern architecture has been incorporated. The area, which has been a neglected pearl of post-industrial architecture for years,



The Norblin Factory

has now become a hot spot on the map of Poland's capital.

The predominant function of the project is modern office space spanning as much as 41,000 sqm combined with multifunctional space in the remaining 24,000 sqm on levels -1 to +2. Visitors to the Norblin Factory have access to unique culture, entertainment and food concepts including the designer boutique cinema KinoGram, the ecological market BioBazar, the largest food zone in the capital, including the Food Town, the Piano Bar with live music in one of the oldest buildings in the complex, the Norblin Factory



Danfoss by Panattoni in Grodzisk Mazowiecki

Museum, which commemorates the 200-year history of the site, the immersive space Art Box Experience, the Apple Museum Poland, as well as shops and retail outlets. Customers can use as many as 724 parking spaces in the underground car park, bicycle racks located throughout

the site, as well as 96 spaces in Poland's first automatic underground car park for bicycles.

The Norblin Factory was named one of the most exceptional urban development schemes on the continent at the 2022 ULI Europe Awards.

Poland wins Destino Estrella 2023 award!

Poland has been awarded the title „Destino Estrella 2023” by the independent platform periodistadigital.com. Our country was appreciated for its tourist attractiveness, solidarity and safety. The award highlights how Poland is a unique place to visit and becoming more and more popular around the world. In January, during Fitur in Madrid – one of the largest trade fairs in the world – Poland received the Destino Estrella 2023 award. This award is given annually to destinations, regions and tourist entrepreneurs by the independent online platform, periodistadigital.com. The recipients of this medium are people living in Spain and other LATAM markets. Poland, representing Europe, has been highlighted as a unique place to visit in 2023. Poland was also praised and appreciated during backstage talks and the president of the Ma-

drid Agglomeration, Isabel Díaz Ayuso, expressed many warm words about the country. This distinction confirms that Poland is one of the most attractive and safe places to visit in 2023. It will certainly attract even more tourists to our country and help in the development of the tourism industry, according to Agata Witosławska, director of the POT Foreign Center in Madrid. Poland in 2023 is increasingly appreciated and honored as a tourist destination. What we have to offer has already been recognized in several important world rankings, such as the CNN list of the best tourist destinations, and awarded, among other things, as part of the World Culinary Awards plebiscite. As a destination, Poland is also highly noticeable on individual European markets where the Polish Tourist Organization operates.

source: POT



Orientarium ZOO Łódź awarded at International Property Awards gala

The Orientarium ZOO Łódź garden was appreciated in two categories: Leisure Architecture and Public Service Architecture. It was recognized as the best project in the world at a gala on February 2 in London.

The Orientarium ZOO Łódź is a modern complex presenting the fauna and flora of Southeast Asia. You can see Europe's largest paddock for Indian elephants and a 26-meter underwater tunnel. In the Orientarium building alone are 35 species of animals, including Indian elephants, gharial crocodiles and Sumatran orangutans. More than 1,300 fish swim in the ocean zone.

Work on the Orientarium began in 2018, and the facility itself was commissioned in spring 2022. In December of the same year, the garden boasted a million visitors.



In the Orientarium building alone are 35 species of animals, including Indian elephants, gharial crocodiles and Sumatran orangutans. More than 1,300 fish swim in the ocean zone.

The modern complex in Łódź was designed by Dorota Szlachcic. It occupies an area of nearly 10 full-size football pitches and is the largest facility of this type in Poland and one of the largest and most modern in Europe.

„We are glad that our Orientarium is appreciated not only in Poland, but also around the world”, says Arkadiusz Jaksa, president of the Orientarium ZOO Łódź. „This is yet another award that we can be proud of recently. We hope that this prestigious award will turn out to be a magnet for foreign tourists and encourage them to visit the Orientarium”, he adds.

27 million travelers at Polish regional airports in 2022

Almost 27 million travelers were served by Polish regional airports in 2022, 14.5 million more compared to 2021 and over 88% more from the record-breaking year of 2019, when over 30 million passengers passed through regional airports.

In 2022, 41.1 million passengers were recorded at all 14 Polish airports. Regional airports increased their share in servicing air passenger traffic from 62% before the pandemic to 65% in 2022. The largest regional port

was Kraków, followed by Gdańsk and Katowice in third place.

Three of them, and especially Rzeszów airport in Jasionka, also began to play an important role in handling cargo flights with help for Ukraine after it was attacked by Russia.

The spokesman of the Association of Regional Airports (ZRPL), Piotr Adamczyk, noted that 2022 was marked by the recovery in traffic after two years of the biggest crisis in the history of the aviation industry caused by the coronavirus pandemic.

In 2022, a total of 26.7 million passengers were served at domestic regional airports, 14.5 million more (+118.5%) compared to 2021, according to ZRPL data.

The result in 2022 was 88.4% up from the record-breaking,

pre-pandemic, 2019, when a total of 30.2 million travelers used the regional airports' connection networks.

In 2022, all 14 Polish airports, including Warsaw Chopin Airport, recorded 41.1 million passengers, 21.4 million more (108.8%) compared to 2021. Passenger traffic across the country recovered to 83.9% of 2019 figures, when 14 Polish airports served 49.1 million travelers.

In 2022, regional airports increased their share in total passenger traffic to 65%. This is more than in the record-breaking 2019, when this share was 62%.

Last year, six regional airports had more than 1 million passengers. As in previous years, the largest regional airport was Kraków, which served 7.39 million travelers. In second place, with 4.57 million passengers, was Gdańsk.

The third was Katowice, where 4.41 million travelers were recorded. The fourth largest regional airport in Poland in 2022, with a record-breaking 3.12 mil-

lion passengers, was Warsaw-Modlin airport. The next two airports were Wrocław, where 2.87 million passengers were served, and Poznań with 2.25 million passengers.

The second group included seven airports. It was headed by the Rzeszów-Jasionka port, which recorded 731,000 passengers, also playing a key role in handling cargo flights with support for Ukraine. The following were: Szczecin - with 420,000 travelers, Lublin 330,000, Bydgoszcz 254,000, Łódź 180,000, Olsztyn-Mazury 113,000 and Zielona Góra - 43,000.

26.7 mln passengers were served at domestic regional airports in 2022	41.1 mln passengers were recorded in all 14 Polish airports, including Warsaw Chopin Airport	7.39 mln travelers were served by Kraków and ranked the largest regional airport	4.57 mln passengers, and the second place scored Gdańsk Airport.
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Rzeszów-Jasionka port, which recorded 731,000 passengers, also playing a key role in handling cargo flights with support for Ukraine.



Adam Larson
Writer and traveller

HOW MUCH POLISH FOOD CAN I FIND IN MY AMERICAN HOMETOWN?

America's melting pot of cultures has led to a huge variety of food available in our grocery stores, where you can find food from around the world, often adapted to American tastes. It's hard to miss seeing American, Italian, and Mexican food in our grocery stores, but what about Polish food? I grew up eating some Polish dishes, but just how much Polish food (and vodka) is in an American grocery store?

The City

To find out, I visited a few grocery stores in my hometown of Kenosha, Wisconsin. It's a small city of about 100,000 people between the larger cities of Milwaukee and Chicago, both of which have large Polish-American populations. About 8 proc. of the residents of Kenosha County are Polish-American.

The Stores

I searched for Polish food in four chain stores in Kenosha: Walmart, Piggly Wiggly, Pick'N'Save, and Woodman's. Walmart is, of course, the American big box store with a wide enough range of goods that in some stores you can buy electronics, clothing, liquor, and firearms in one stop. For better or worse, you cannot buy a rifle at the Walmart in Kenosha, but rest assured that you can still buy electronics, clothing and liquor in the same store. There are about 4,700 Walmarts in the United States, and Kenosha has one on the west side of town. Pick'N'Save and Piggly Wiggly are grocery store chains with stores about the size of a Kaufland, and both can be considered typical grocery stores by American standards. Pick'N'Save is

owned by Kroger, which operates about 2,700 stores in the United States, including two in Kenosha. Piggly Wiggly is a smaller chain, with more than 500 stores in 18 states, and like Pick'N'Save, there are two in Kenosha. Woodman's is the smallest chain, but has by far the most food for



obviously Polish, like pierogi. I did not include items (like apple juice) that are made from Polish products.

The Results

Woodman's had the largest variety of Polish products, with 73 different foods and drinks and a wide selection of kielbasa, pierogi, and vodka along with pączki, which is eaten seasonally in the United States. Coming in a distant second place was Piggly Wiggly, with 21 foods that still includes a variety of types of kielbasa and pierogi. Pick'N'Save took third place, with 13 choices and a smaller selection of pierogi. Walmart took fourth with 11, and completely lacked any pierogi.

The chains with more stores carried fewer Polish items, which makes sense. The smaller chains I visited are more concentrated in the Upper Midwest, which has a much larger Polish-American population than the country as a whole. Polish-Americans are about 2.7 proc. of the total US population, but about 8 proc. of the population in Wisconsin, one of the highest percentages of any state.

It would seem that American brands of Polish foods don't agree on what to call them. There's the completely English „Polish sausage”, the partly Polish „Polish kielbasa”, and the completely Polish (but without an L) „Polska Kielbasa”. Sometimes „pierogi” is used as the plural, and sometimes it's „pierogies”. It helps a lot that „kielbasa” and „pierogi” aren't too difficult for Americans to say, and the advertising of Łukaszowa vodka pokes fun at the trouble we have pronouncing it. If you're thinking that some of the brands producing kielbasa sound German, you'd be right. 40 proc. of Wisconsinites are of German descent, and they are prominent in the sausage making industry, which is why companies with names like „Eckrich” and „Usinger's” make kielbasa.

Very few of these items were found in the (awkwardly named) „ethnic” or „international” aisles of the grocery stores I visited. The only Polish foods found in these aisles were Prince Polo, Delicje, and some of the vegetables. Polish-Americans have been in the United States in large numbers for well over a century, and while many Polish foods and drinks are unknown to most Americans, the ones that have survived (mainly kielbasa and vodka) are enjoyed regularly by Americans of all ethnic backgrounds.

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sale. Its 19 stores in Wisconsin and Illinois have an average size of 230,000 square feet (more than 21,000 square meters). That's so large that more than half of Kraków's rynek (or the collective sales area of approximately 31 Biedronkas) would fit inside a Woodman's. I'm American, and Woodman's even seems big to me.

Given the size of these stores, I opted to specifically check areas that I knew would likely have Polish food (sausages, frozen, canned, international, liquor) and skimmed the rest of the stores. It is possible that I may have missed a few Polish items, but I'm reasonably confident that I found most of them. I included any items that identified themselves as being Polish in the name or were otherwise



Woodman's had the largest variety of Polish products, with 73 different foods and drinks and a wide selection of kielbasa, pierogi, and vodka along with pączki, which is eaten seasonally in the United States.



EO among Oscar 2023 nominees

Jerzy Skolimowski's EO has been nominated for an Oscar in the International Feature Film category and will compete with German All Quiet on the Western Front, Argentinian Argentina, 1985, Belgian Close, and Irish – The Quiet Girl.

Skolimowski is one of the most versatile Polish film creators – a director, screenwriter, producer and actor, as well as a poet and author of several theater plays. The beginnings of his career include writing the

screenplay of Andrzej Wajda's Innocent Sorcerers and co-writing of Roman Polański's Knife in the Water. He gained his first international recognition thanks to Le Départ, which won him the Golden Bear at the Berlin International Film Festival in 1967. His other most acclaimed films are, among others, The Shout, Moonlighting, Four Nights with Anna and Essential Killing.

The 2022 EO is a deeply humanistic story told from the perspective of a little gray don-

key and his journey – from the circus, through the stadiums and parking lots, to the castles. The film has won the Jury Prize and Best Composer Award at the Cannes Festival, Best Original Score at the European Film Awards, Best International Film at the New York Film Critics Circle Awards, as well as Best Cinematography and Best Film Not in the English language at the Los Angeles Film Critics Association Awards. The 95th Academy Awards ceremony will take place on 12th of March.



Richard Bergh (1858–1919, Sweden), Nordic Summer Evening, 1899–1900, oil on canvas, Gothenburg Museum of Art, photo: Gothenburg Museum of Art

Solstice at the National Museum in Warsaw

The Solstice. Nordic Painting 1880-1910 exhibition at the National Museum in Warsaw can be viewed until the 5th of March. It's the first cross-sectional presentation of the work of Nordic artists in Central and Eastern Europe. It features more than 100 works created by painters from Denmark, Finland, Iceland, Norway and Sweden at the turn of 20th century, including artists such as, among others, Edvard Munch, Vilhelm Hammershøia, Carl Larsson, Anna Ancher, Michael Ancher, Richard Bergh, Akseli Gal-

len-Kallela, Pekka Halonen, Hanna Hirsch-Pauli, Marie Krøyer, Erik Werenskiöld and Anders Zorn.

The main themes of the exhibition are nature and landscape, rural life, folk customs, scenes from mythology, the interior and the human psyche. The title of the event refers to the summer solstice – time of a special significance in the Nordic culture, as well as points to the transformations of the Nordic art of that time and the shift in the relationship between the European cultural 'peripheries', and the center of the art world at the time – Paris. The exhibition has been organized in collaboration with the Gothenburg Museum of Art.



Michael Ancher (1849–1927, Denmark), Girl with Sunflowers, 1889, oil on canvas, SMK, National Gallery of Denmark, Copenhagen, photo: SMK, National Gallery of Denmark, SMK Photo / Jakob Skou-Hansen



photo credit: PAP/Janusz Mazur

The Year of Wisława Szymborska

The Senate of the Republic of Poland declared the Polish poet Wisława Szymborska a patron of the year 2023. The 1996 laureate of the Nobel Prize in Literature was born on July 2, 1923 in Kórnik, Greater Poland. She is the author of thirteen volumes of poetry: That's Why We Are Alive, Questioning Yourself, Calling Out to Yeti, Salt, No End of Fun, Could Have, A Large Number, People on the Bridge, The End and the Beginning, Moment, Colon, and Here, as well as an unfinished collection published posthumously in 2012 – Enough.

Her works have been translated into over 40 languages and published around the globe. She was awarded multiple international prizes and medals, among others the highest Polish state distinction – the Order of the White Eagle.

The 100th anniversary of Szymborska's birth will be celebrated with a variety of events all around the country, especially in Kraków, where she spent most of her life. In July the city is planning the opening ceremony of the Wisława Szymborska's Park on Karmelicka Street, which is now under construction.



photo credit: PAP/Henning Kaiser

20 Years of Soul

British singer Joss Stone on her European anniversary tour 20 Years of Soul will perform two concerts in Poland – on February 27th at the Polish National Opera House in Warsaw and on March

1st at the National Forum of Music in Wrocław. The tour will be a journey through Stone's biggest hits as well as the newest songs from her album Never Forget My Love (premiere February 11th).

TIME TO PARTY

Carnival is still going on, so it's time to get carried away by good music and an atmosphere of hedonism. Lovers of good fun will find something for themselves in every corner of Poland. Some will be tempted by energetic rhythms, others by hypnotic live acts, and others by unusual cocktails. Let's have fun!



Piano Bar / Warsaw

A three-level, stylish bar in a historic building of Norblin Factory. A unique meeting place, which in the evening turns into an atmospheric place with great live music and great cocktails.



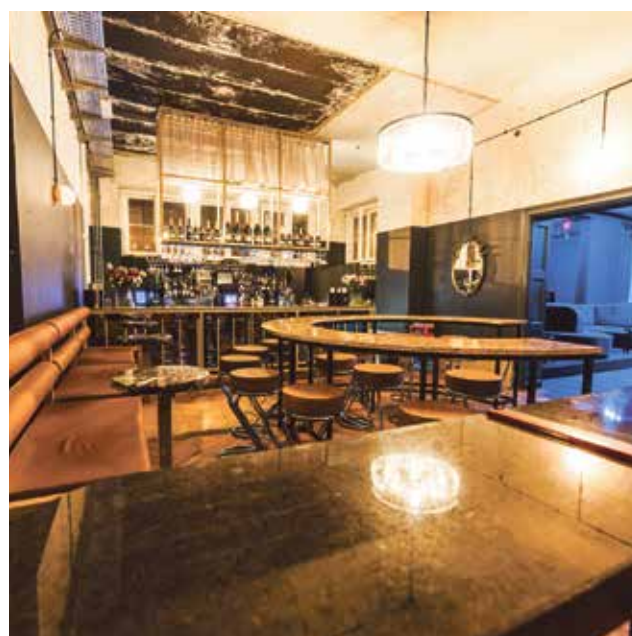
Casa de la Musica / Wrocław

Modeled on cigar clubs of the 1920s and 30s, Casa de la Musica creates a unique, original and collective document which reminds us of the last century. It is a wonderful place for all the lovers of Caribbean and Latino American rhythms, Cuban cigars and delicious tropical drinks made with fresh fruit.



Parlament / Gdańsk

A well located, spacious three-storey club with a superb sound system and, above all, an amazing atmosphere. It has been ranked one of the best clubs in the country and has been host to plenty of famous musicians and well-known bands.



Próżność (Vanity) / Poznań

The club is located in an old Poznań tenement house. Two rooms and a cocktail bar. Here, the modern forms meet a historic interior. A place to dance and enjoy good music. A characteristic, avant-garde and eclectic place where you will indulge your appetite for art, good sounds and sublime shows.



DOM / Łódź

DOM [Home] was one of the first initiatives when the OFF Piotrkowska Center was born. The club was opened in 2011 and quickly evolved into something more. The pro-active attitude of the team, consisting of leaders of the underground scene in Łódź, created a place brimming with ideas and initiatives. Concerts, parties, screenings, multimedia shows, DJ tournaments and competitions, literary evenings, second-hand fairs, poetic jams, dancing parties, meetings, lectures and discussions are only some of the events offered by DOM. The raw, post-industrial interiors of the club are never limited to a single style, idea or model of entertainment.



Choice Club / Krakow

Choice Club is a prestigious place located in the heart of Krakow. Sophisticated interiors, unforgettable atmosphere, excellent cocktails and great DJs.



Marta Kalinowska
Creative Director / HARTWIG, fashion
lecturer, journalist, fashion expert

FRONT ROW – DENI CLER

I'm sitting in the front row of the fashion show for a brand I've known for years. But it's been a while since I've been here and I can see that a lot of changes have been made for the better. The atmosphere is electric, the models look stunning and the clothes are even better than I remember. The designers behind the label have clearly been hard at work, creating pieces that are both modern and timeless. I'm so glad I made it back to this show, maybe it's been worth the break.

This season, Deni Cler's collection is really making an impact with its bold use of color, particularly the vibrant magenta. The collection features a wide range of pieces, from office-ready separates to statement evening wear, mostly in eye-catching hues. Deni Cler has always been known for its impeccable craftsmanship and attention to detail, and this



Iwona Kossmann CEO at DCG S.A. (Deni Cler), Monika Gąsiorek-Mosiółek, Marketing Director

collection is no exception. The pieces are designed to flatter the female form and the fabrics are luxurious and comfortable. The magenta hue is a breath of fresh air, perfect for making a statement this season.

Deni Cler Milano is a premium Italian fashion brand, established five decades ago. The brand's signature style is classic and timeless, with clean lines, sophisticated fabrics and subtle details. Deni Cler Milano features a wide vari-

ety of ready-to-wear garments and accessories, ranging from dresses to blazers, trousers to skirts and bags to shoes. The brand also offers a selection of unique items, such as signature scarves and clutches that add a touch of sophistication to any outfit. The brand is dedicated to big city clients, with the goal of making its customers feel confident and comfortable in their own clothes.

Iwona Kossmann, CEO of Deni Cler, speaks highly of the brand, noting that it stands out for its unique design, high quality and well-crafted cuts. Kossmann also emphasizes the brand's contribution to the development of European fashion and business. According to Kossmann, Deni Cler expresses respect for women in business and serves as a symbol of professional status. The CEO also highlights the brand's commitment to innovation, bold projects and investment in product development.

Deni Cler currently has over 52 stores throughout Poland, with more opening all the time. The brand is also expanding its presence online, with an active presence on social media and an e-commerce platform. The brand is growing rapidly, with 17 proc. year-on-year growth in both its offline stores and online channels. Deni Cler is also expanding into new markets, the Czech Republic and Slovakia in particular.

I'm sitting at the fashion show again and I'm filled with a sense of pride. Fashion and business have gone hand-in-hand to create a new era of success, and I'm delighted to witness it.

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The brand is dedicated to big city clients, with the goal of making its customers feel confident and comfortable in their own clothes.



photo credit: NAC

THE MOST BEAUTIFUL CAR FROM BEHIND THE IRON CURTAIN

The Syrena Sport is widely recognized as the most beautiful car designed and built entirely in Poland.



Adam Białas

Construction and real estate market expert

In May 1960, the Italian daily „Il Giorno” published an article in which it called it „the most beautiful car from behind the iron curtain”. However, only one copy was ever made – a glossy red one with a black roof, the 2-door coupé. Why did the now forgotten FSO project not become a popular car on the roads across Europe?

The only copy of this sports car was built in 1957-1960 at the Passenger Car Factory in Warsaw. The main designer, Cezary Nawrot, was inspired by the style of several Ferrari models and the Mercedes 190SL.

A team of young engineers was given a free hand in the implementation of the project, but they performed a large part of the work outside the obligatory working time as a kind of community service.

The Polish super vehicle was designed as a convertible, but due to the insufficient rigidity of the floor plate, which was designed for a closed body, its roof was permanently installed.

After the premiere show of the car on Labor Day, May 1, 1960, it was quickly hailed as a great sensation and widely reported in the Polish press, as well as shown on television and foreign media.

However, according to the original assumptions, the Syrena Sport was never intended to go into mass production. It was intended that it should only be used to study the stylistic and technical capabilities of the FSO and as a test platform for

a number of solutions, technologies and components intended for the modernization of the classic version of the Syrena, which had been mass-produced since 1955.

In contrast to these assumptions, the media and the public insisted on starting serial production of the Syrena Sport, even if a small amount. Two state-owned plants, the Warsaw Plastics Factory and the WZS PT-Plastics Plant in Wadowice even offered the possibility of doing the bodywork.



Władysław Gomułka, fell into a fury during the May Day parade when he first saw the sporting pride of FSO. He didn't like what he saw as the decadent, capitalist two-seater and the convertible version.

This put the management of the FSO and the authorities of the People's Republic of Poland in an embarrassing situation. The model did not fit the image of peasant-worker socialist values. The then Deputy Prime Minister and First Secretary of the Polish United Workers' Party, Władysław Gomułka, fell into a fury during the May Day parade when he first saw the sporting pride of FSO. He didn't like what he saw as the decadent, capitalist two-seater and the convertible version.

Soon, Prime Minister Józef Cyrankiewicz personally called

the director of the FSO with an order to hide the car. After his intervention, all tests were completed and Syrena Sport went to the warehouse of the Research and Development Center in Warsaw Faleńca. By then, however, the car had managed to drive nearly 29,000 kilometers on the FSO track and in normal traffic. Although employees tried to prevent it in 1975, the Syrena Sport in the warehouse, together with a number of other FSO prototypes, was scrapped by a commission, ostensibly to free up warehouse space.

This modern sports car – with many innovative solutions and a body made of plastic, based on a steel, self-supporting floor plate – reached a dizzying speed of 110 km/h and is still considered one of the most important legends of Polish motoring.





Poland through the eyes of foreigners

How did your connection to Poland develop?

I first came to Poland in 2014 on the trip with my friends. We decided to come here because of the cheap flights and also, I already had some Polish friends who I met abroad. Other than that, I really didn't know much about Poland at the time. When we found ourselves in Warsaw, I remember this vividly, I immediately got this strange feeling that one day I was going to live here. I fell in love with Warsaw at first sight. I had travelled a lot in my life, I had seen much more beautiful cities, yet that was the first time I ever had this feeling. I really cannot put my finger on it... After that I visited Poland every year – different places, different cities. I was still studying chemistry in Turin back then, but when I graduated, I made a really fast decision to look for work here. I came for an interview, got hired and moved. It was the beginning of 2020.

Just before the pandemic.

Yes. I was really lucky to be able to move in time. The situation in Italy was really terrible. In the course of the last three years, I was travelling back home a lot to see my family and friends, and every time I was happy to be coming back here. The atmosphere in Italy was so heavy, people so stressed and scared and the general quality of life really not good. I think it's also because the restrictions in Italy were very hard on people and they lasted much longer than those in Poland. Plus – here I couldn't really follow the news on tv, because I couldn't understand it /laugh/. But seriously – I came here before all that and back then I was also doing it to change the environment and broaden my possibilities.

OPPORTUNITIES, PATRIOTISM AND TRAVEL

Francesco Morabito is an Italian IT specialist with a background in chemistry, although when asked about his profession, he always answers he's a content creator. He has a YouTube channel covering his life and travel in Poland, which – as he says – is his true passion. He moved to Warsaw almost three years ago from Turin following the hunch, that Poland is a perfect place to live.



How so?

Warsaw is much more modern than most Italian cities. They do not offer many opportunities and kind of just stand still (apart from Milan of course). So, if you want to look into the future and find yourself in the dynamic environment full of diversity and progress, Warsaw is the place to go. You get all kinds of companies here, all kinds of industries, lots of activities to do, lots of young people of different cultural backgrounds. When you work in an office in Italy, you're sort of sentenced to the company of older people representing some kind of a stiff mindset and you have this feeling that you're really headed nowhere. I needed something more

and I found everything I was looking for here in Warsaw.

Apart from professional opportunities, was there something else that you found particularly appealing about life in Poland?

It started with atmosphere here that I always liked. Then I studied Polish history and culture and it really spoke to me. The fact that Polish history is a difficult one and full of constant defending of what's yours. It is a story of standing up, raising again and again. Poles in general are good and humble people but most importantly – they care about their country. I really like your patriotism. I know that some say that it's too much

and it's just Polish nationalism, but my perspective is different. I come from Italy where people don't care at all. They're just about their business and most of them would rather cheat than live within bigger social context. So, to me Polish perspective is really nice.

How about things that you don't like here or the ones you're missing?

I don't really miss much except for my family. Winter darkness is a little bit of a problem, but I'm from Turin so the climate change in general isn't as drastic as it would have been if I was a Sicilian /laugh/. Winters in the North of Italy get very cold too and I actually prefer the

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The COVID time helped – like everyone I was at home, so I had way more time to share my experiences. Most of my videos are about Poland and my life in Warsaw and such travel content is rather hard to find, so I'm doing quite well.

cold here because it's dry – the humidity in Turin can make your life there really uncomfortable. I do miss fresh fish though. I don't have it very often in Poland. You can get a good salmon here and sometimes even a decent swordfish, but in general Poland is not big on it.

You have your YouTube channel about life and travelling in Poland – FraMora. Do you spend all your time off here?

Not all of it. I've always travelled a lot so I try to spend my main vacation abroad. But I do a lot of travelling here and I have to tell you – now I know Poland even better than Italy. Sharing what I learn about Poland is my passion and to be honest I wish I could do it full time.

And you've been doing it since you moved to Poland?

Pretty much. I think the first video I made was way before that – when I was working in Kenya. I came back to this idea after moving here. The COVID time helped – like everyone I was at home, so I had way more time to share my experiences. Most of my videos are about Poland and my life in Warsaw and such travel content is rather hard to find, so I'm doing quite well.

Of all the places in Poland you talk about – which one is the absolute must-see?

Mazuria. It's so beautiful! Poland has some really wonderful places and fantastic cities but I cannot think of anything more amazing. I discovered Mazuria last summer and I plan to go back and explore it more. I've always been the biggest fan of the sea, but when I saw Mazury, I understood the popularity of this one-of-a-kind lake region.

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Poles in general are good and humble people but most importantly – they care about their country. I really like your patriotism. I know that some say that it's too much and it's just Polish nationalism, but my perspective is different. I come from Italy where people don't care at all.

BVLGARI
MAN
MASCULINE CHARISMA

