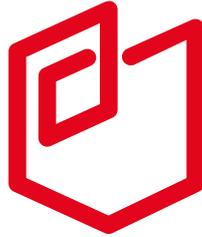


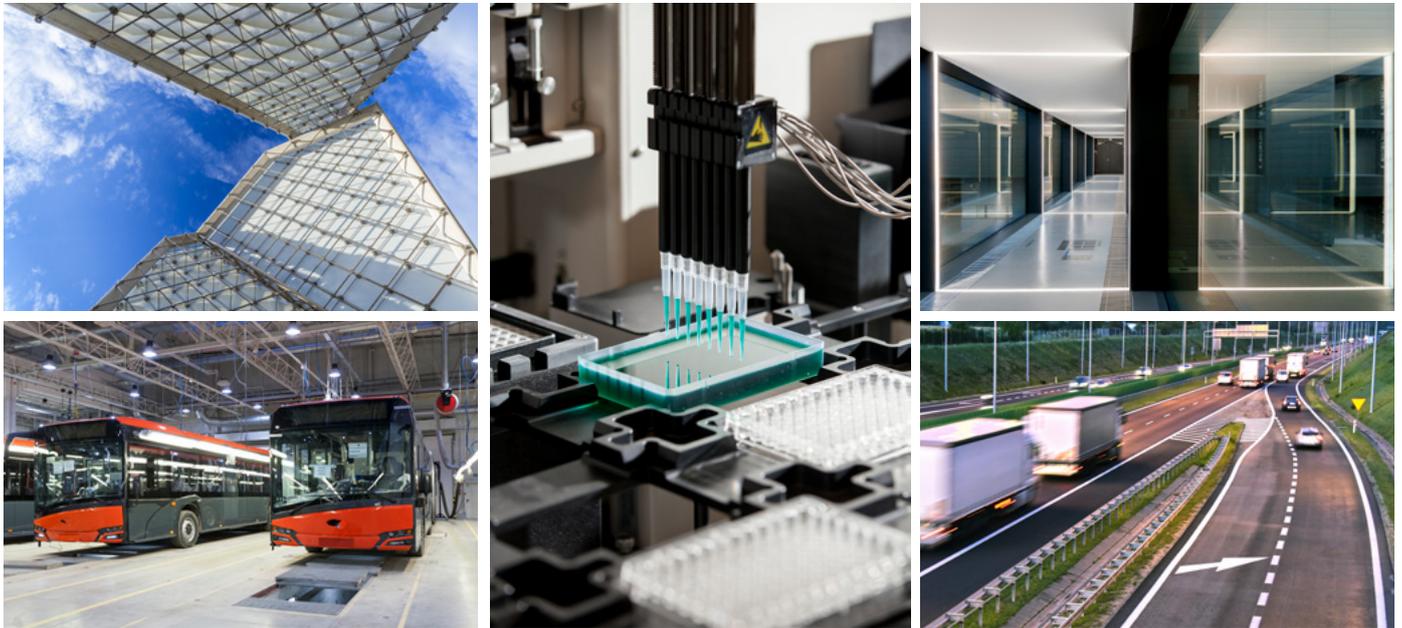
INVEST IN WIELKOPOLSKA

INVESTOR'S GUIDEBOOK



Wielkopolska

The power of possibility



The project is co-funded by the European Regional Development Fund under the Wielkopolska Regional Operation Programme for 2014-2020 and the budget of the Wielkopolska Region.



PART I WIELKOPOLSKA – THE POWER OF OPPORTUNITIES



A continuing local spirit of enterprise is still decisive in term of regional development. This is seen in a variety of business initiatives based on local professionals and seeking to determine the competitiveness of the regions against other European Union areas.

The business development traditions of Wielkopolska date back to the ancient times. They are used to confirming national identity, professing to the rule of organic work i.e. constant self-development, education and running a business. The idea brings benefits and today, in the space of liberal economy, it is also open to accepting external capital.

Due to its key location and enormous human resources potential, Wielkopolska is a leader in gaining new investors. After almost three decades of functioning in a global multi-market space, the region has developed clear development strategies encouraging them to locate capitals of crucial investors, who have simultaneously created a foundation for the sake of the art of the European region. Intelligent specialisation zones specified in the Regional Innovation Strategy for Wielkopolska 2015-2012 are a proof of a clearly adapted will of development which, combined with skills for supporting investment process, has created an attractive space for future businesses



Opinions of 3 companies of the intelligent specialization zone

Maciej Algusiewicz
Sales Director,
QRtag Sp. z o.o. board member



Development of state-of-the-art IT and communication technologies has brought considerably changes to our daily life. Nowadays, one commonly available communication tool is a smart phone which, thanks to ICT branch development, allows to improve our daily activities and makes endless data resources available. The QRtag company, which has been active in the region for several years, has developed numerous useful applications which help in using resources of the digital world. Understanding the need for support of such investments by public institutions makes such companies reach an optimal climate to grow in Wielkopolska. Using the regional and national support resources and business incubators, ICT companies have become stronger in terms of their competitiveness on the global market, promoting a development-friendly region of advanced IT technologies..

Grzegorz Chabura
Director of REHAU Sp. z o.o.
in Śrem



Choosing Wielkopolska as a place for investment of REHAU was not a coincidence. We are a leading provider of civil construction, automotive and furniture production as well as industrial products, thanks to innovative technologies we have introduced to the market of which we take advantage during production. Access to qualified workers, developed telecommunication and transportation infrastructure allows REHAU to finalise the set objectives and to develop dynamically; thus, our state-of-the-art polymer solution can be used in an increasing number of areas. We can clearly state that choosing the Wielkopolska Region and Śrem commune as the investment place was a good decision.

Paweł Hejmanowski
Director of Hjort Knudsen
Polen Spółka z o.o.



A feeling of safety connected to production is crucial for every investor. Therefore, such investors appear with their capital in places where the execution of goals seems optimal. Thanks to the support and attitude of local authorities, the company of HJORT KNUDSEN POLEN Spółka z o.o. can focus on the production of furniture in the Northern Wielkopolska and so develop systematically. We have grown into the local community over that time. Choosing Wielkopolska as the location of our capital was apt and clearly drove the growth of the entire company. I feel strong support for this type of production which gives us a guarantee of continuous technological development and the capabilities to meet the increasing demands of customers.

How to use the investor's Guidebook?

The investor's guidebook "Invest in Wielkopolska" is a document in the form of a useful guidebook which enables information to be acquired covering all stages of the investment process. It has been developed in line with numerous years of experience and relations with investors. The Guidebook includes the most important questions and answers.

The Guidebook includes six independent parts where information has been grouped by its thematic area. Each part contains sources of more detailed information, with references to enactments, websites and institutions involved in the investment processes.

The last part is an address guide which is a set of contacts to the most important state and self-government institutions as well as the business environment institutions. For your convenience, a table of contents has been provided at the end of the document.

Statistical data



Population:
3,490,597
(as of 30/06/2018)



Area:
29,826 km²



Capital city:
Poznań
(537,643 inhabitants – as of 30/06/2018)



Larger cities:
**Kalisz, Konin, Piła, Leszno
Ostrów Wielkopolski, Gniezno**



Average gross remuneration in the sector of enterprises:
PLN 4,384.00
(as of 30th September 2018)



Number of business entities:
426,606 including **5,888**
with the foreign capital (as of 31.10.2018)



Polish GDP per capita in region in 2016:
PLN 52,809,00
(9,1% more than the average in Poland)



Long-term national rating:
“AAA” with stable perspective



Unemployment rate:
3.2% (as of September 2018 r.)

Statistical data (source: Główny Urząd Statystyczny)

1. Location, historical and cultural background

Wielkopolska Region is a region located in west and central Poland. Poznań, the largest city in the region has been located at a distance of 230 kilometres from Berlin and almost 280 kilometres from Warsaw.

Wielkopolska is the cradle of the Polish state. First capitals of the state in 10th and 11th century were Gniezno and Poznań. In the 19th century, Wielkopolska came under the German rule and its impact until today is apparent in the culture in Wielkopolska. One of the aspects of struggle of the Polish people to keep their national identity became known as the organic work, based on economic development and supporting Polish enterprises. That's why Wielkopolska has become one of the most economically advanced Polish regions, while inhabitants of Wielkopolska are famous because of their thriftiness and work ethos.



The Region is administratively divided into 35 districts and 226 communes. There are 112 cities in Wielkopolska including Poznań, where live 630 inhabitants (54.7% of whole population). Poznań which is the capital city of the region is a large urban centre where about 540,000 inhabitants live and which brings together an agglomeration where about 1 million inhabitants is living.

The Wielkopolska Region is located in temperate climate zone, tempered by oceanic air masses. The average annual temperature is 8.2°C. The relief of Wielkopolska Region has been formed during the old-time glaciations. In the northern and central part, where lowlands or rolling areas occur, there are numerous lakes, while in the southern part there is a less varied relief.

2. Transport

The location of Wielkopolska has allowed the construction of profitable national and international transport connections. The region is crossed by the A2 highway which connects Warsaw and Berlin. The capital of the region has road connections of highway, expressway and national road standard.

Wielkopolska has a very well developed railway network with the total length of 1 878 km. Apart from a large number of small and local lines with railway sidings, the region is crossed by routes of national and international importance. The capital city of the region has a direct railway connection with most of the Polish regional capitals and with the Berlin and the Ruhr district.

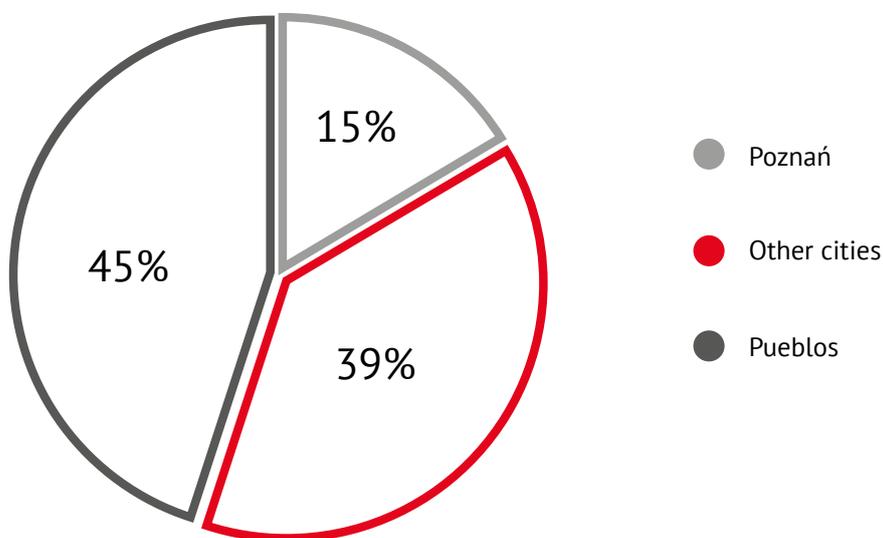


In Poznań, there is the international Poznań-Ławica Airport (POZ) which services approximately 2 million passengers every year. The airport has modern terminals and cargo. Regular flight connection to Warsaw, Barcelona, Frankfurt, Copenhagen, London, Milan, Munich, Paris, Rome, Stockholm and Kiev are regularly provided.

3. People and economy

Population in Wielkopolska: 3,490,597.00 (comparable to the number of residents in Moldavia and more than in Latvia and Estonia together) of which over a half lives in the cities.

People of Wielkopolska



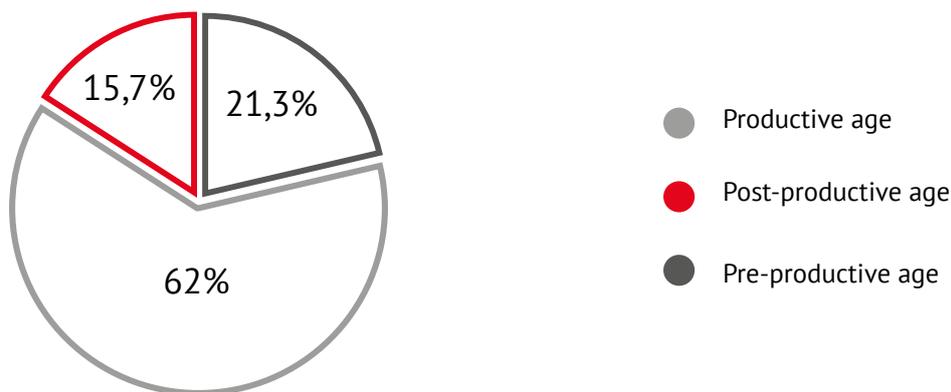
PART II WIELKOPOLSKA – THE REGION OF BUSINESS

In 2017, 21.3% of inhabitants were of pre-working age, 62.9% were of production age and 15.7% of inhabitants of Wielkopolska were of post-working age.

In Wielkopolska, of the total number of people able to work 3.2 % are unemployed persons.

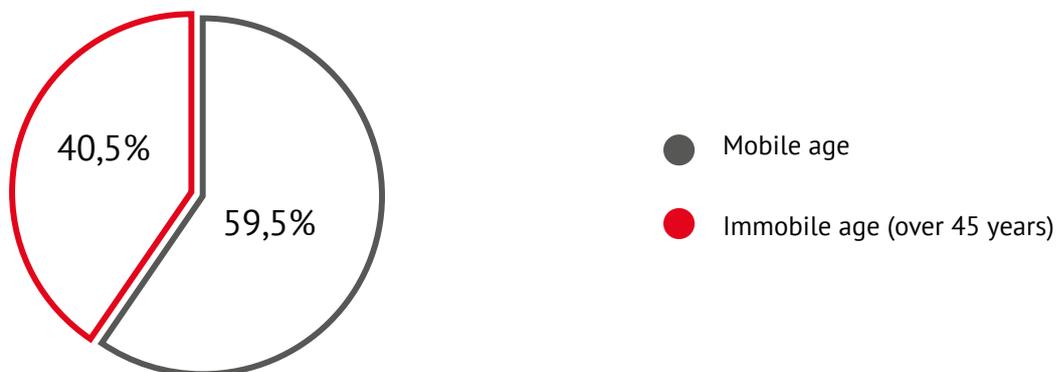
People of Wielkopolska according to their age

source: GUS, 2017



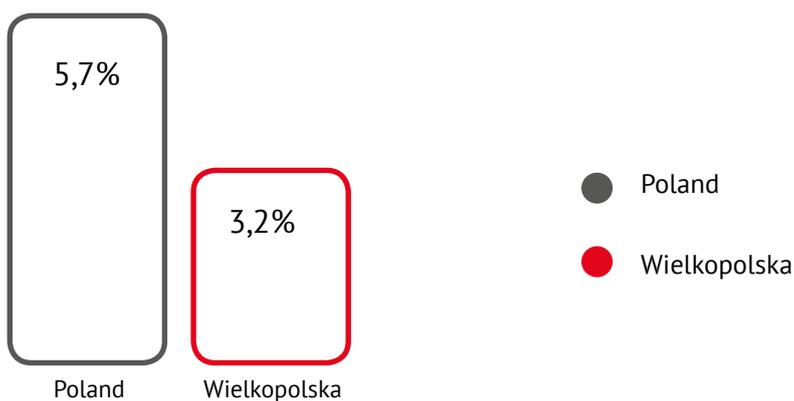
Structure of people in productive age

source: GUS, 2017



Unemployment rate

source: WUP, 9/2018



PART II WIELKOPOLSKA – THE REGION OF BUSINESS

Wielkopolska is one of the most economically developed regions in the country and characterises with a high concentration of involved foreign capital. The economic situation in the region is a consequence of balanced development with a significant industrialisation level and a high technology level. The investment attractiveness of the region is confirmed by other large investments located in the region. Factors like a high level of special education at universities in Wielkopolska and a number of potential co-operating parties and suppliers have had an influence on this trend. In Wielkopolska, the higher education institutions in operation educate qualified employees.



In Poznań, which is one of the largest academic centres in the country, 23 higher education institutions have their registered offices. It is necessary to enumerate among them the Adam Mickiewicz University in Poznań, where nearly 40,000 students are studying, Poznan University of Technology, Poznań University of Economics, Poznań University of Life Sciences and Poznan University of Medical Sciences. There are almost 112 thousand of students in entire Wielkopolska. High schools away from Poznań can be found in Gniezno, Jarocin, Kalisz, Konin, Leszno and Piła.

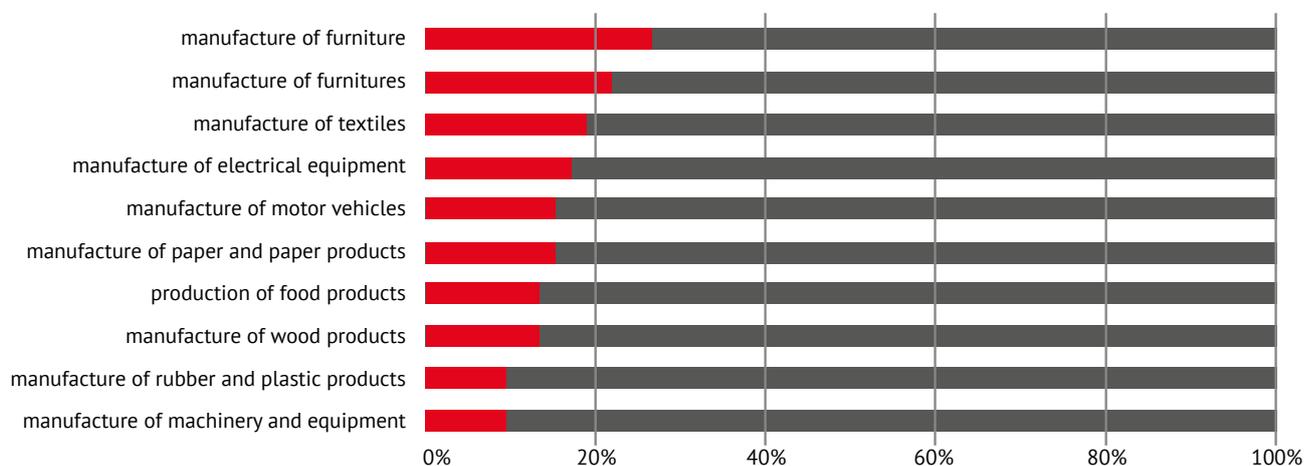
Universities in Poznań offer a perspective programmes of studies, among others: Production Management and Engineering, Computer Sciences or Bioinformatics, Economy, Accounting and Finance, Biotechnology, Neurobiology, Pharmacy, Electronics and Communication, Electrical Engineering, Mechanics and Machinery Construction, Mechanics and Machine Design, Automation and Robotics, Materials Engineering, Biomedical Engineering, Commodity Science and many more.

The Wielkopolska Region is third in reference to the number of foreign investments capital. Currently, Wielkopolska operates 426,606 business entities (as of 31/10/2018), including 5,888 business entities with foreign capital.

Wielkopolska Region is characteristic of a considerable share in national production of numerous industrial branches.

Sold national production share of Wielkopolska

source: GUS, 2017





The biggest investing companies in Wielkopolska:

- **Automotive** (Volkswagen, Bridgestone, Solaris Bus&Coach),
- **Food** (Kompania Piwowarska, Imperial Tobacco Polska, Dino, Wrigley Poland Sp. z o.o., Nestle),
- **Transport and Logistics** (Amazon, Raben Group, Kuehne + Nagel),
- **Electronics** (Samsung Electronics),
- **BPO/SSC** (Arvato Services, Contact Center, Holicon, Franklin Templeton),
- **Pharmaceuticals and Beauty** (GK GlaxoSmithKline Pharmaceuticals, Nivea),
- **Airlines** (Pratt & Whitney Kalisz Sp. z o.o.).

Wielkopolska has placed a strong emphasis on a co-operation between the scientific and research institutes and the business. In the Regional Innovation Strategy for Wielkopolska 2015-2020, it was written that support for the science sector should lead to a real increase of a quality of conducted research, extend areas of research which correspond with real needs of economy and to create an efficient co-operation mechanisms with the entrepreneurship.

The Wielkopolska Region has determined its own economical and social priorities within so-called intelligent specialisations. These are areas which, thanks to the scientific and the business potential support, can generate goods and services while also competing on the international markets.

As a result of analytical work and an ongoing enterprising discovery process, 6 areas of intelligent specialisations have been identified, such as: Bio-based raw materials and food for informed consumers, Interiors of the future, Industry of tomorrow, Specialised logistic processes, ICT-based development, Modern medical technologies.

Poznań is a large BPO (Business Process Outsourcing) and SSC (Shared Services Centres) service centre. At the same time, the priority sectors for the capita of the region are technologically-advanced production, research and development, congress and fair services and recreation and entertainment infrastructure. Most of the foreign capital invested in Poznań has come from Germany, Great Britain, USA, France, Japan and Sweden, Spain, Netherlands and Republic of South Africa.

PART II WIELKOPOLSKA – THE REGION OF BUSINESS

Fitch Ratings, the international rating agency has confirmed ratings for Wielkopolska as for the debt in the foreign currency at the A- level, for the debt in the national currency at the A level and a long-term national rating at the AAA(pol) level. All ratings have a stable prospect (10/2018).

In 2016 Wielkopolska generated 9.9% of Polish GDP. This makes it 3rd position among other regions in the country.

Data concerning Gross Domestic Product in 2016

(source by GUS)

GDP in Poland	GDP in Wielkopolska
PLN 1 858 468 million	PLN 183 514 million
100%	9,9%

GDP per capita in Poland	GDP per capita in Wielkopolska
PLN 48 364	PLN 52 765
100%	109,1%

4. Poznań International Fair



One of the most important institutions which support economic development in the country is the Poznań International Fair. By owing approximately 55% share in the fair market in Poland, they are the leader in the Polish exhibition industry and the first arranger of such events in the Central Europe. In 2017, there were 57 fair events organised by the Poznań Fairs and over 9 thousand exhibitors including over 1600 from 59 countries. Poznań International Fair has the largest in Poland exhibition and conference infrastructure.

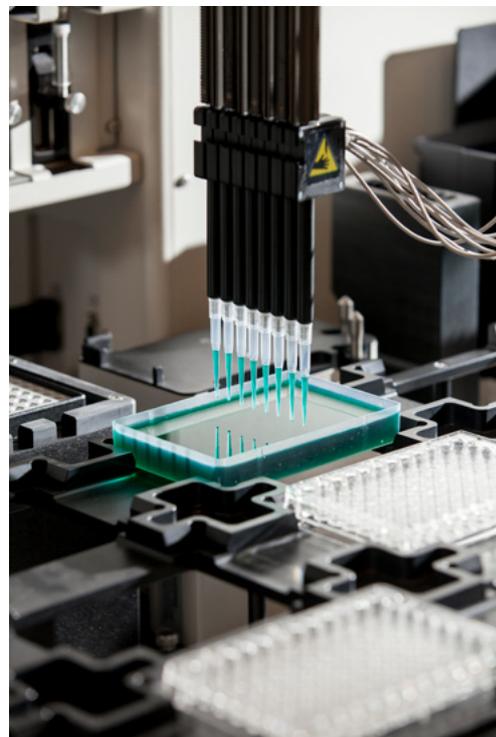
1. Special Economic Zones – incentives for investors

Special Economic Zone is an administratively separate part of the territory of Poland intended for economic activity on preferential terms. An entrepreneur in the SEZ can become the beneficiary of tax reliefs and can conduct economic activity in a specially prepared, developed area.

The Act of 10 May 2018 amended the income tax exemption instrument (CIT or PIT) for entrepreneurs, which is one of the forms of regional public aid. The new act makes it possible for companies carrying out new investments in both public and private areas to take advantage of the tax exemption throughout Poland. Under the law, the so-called Polish Investment Zone was established, which allows public aid to be obtained throughout the country.

Privileges from operations in the Polish Investment Zone:

- exemption from income tax PIT or CIT,
- plot prepared for the investment, available at a competitive price,
- assistance while completing the formalities concerning investment,
- exemption from real estate tax
(on the basis of a relevant resolution of the Council of the commune in which the zone is located).



The amount of public aid will be determined, among others, by the financial outlays of the investment, the number of jobs created, the technological advancement of the investment and the expected financial turnover. The social and economic situation of the region of the planned investment will also be significant; in problematic areas - e.g. with a higher unemployment rate - the investor may count on greater support.

At the same time, the existing permits for conducting business activities in the Special Economic Zones (SEZs) will remain in force until the end of 2026 at the latest.

On the basis of the Act of 10th May 2018, areas of activity were established for 14 special economic zones operating in the territory of Poland.

PART III WIELKOPOLSKA – THE BEST LOCATION FOR YOUR INVESTMENT

Poviats located in Wielkopolska have been allocated as areas of operation of the Kostrzyn-Stubice Special Economic Zone, Wałbrzych Special Economic Zone, Lodz Special Economic Zone, Slupsk Special Economic Zone and Kamienna Góra Special Economic Zone for Medium Business. Any information related to the sum of public aid, resulting from a possible new investment, can be obtained from the above entities. The following map of the region presents the areas of activity of 5 special economic zones, which will be a partner for obtaining public aid in the given areas.



Kostrzyńsko-Stubicka Specjalna Strefa Ekonomiczna S.A.

ul. Orła Białego 22 | 66-470 Kostrzyn nad Odrą,

+48 95 721 98 00 | fax +48 95 752 41 67

e-mail: info@kssse.pl

Invested in the zone: Volkswagen Poznań Sp. z o.o., Europol Meble S.A.

More information at: www.kssse.com | www.kwilcz.pl | www.poznan.pl | www.clip-group.com

www.przemet.com.pl | www.steszew.pl | www.smigiel.pl

Łódzka Specjalna Strefa Ekonomiczna S.A

ul. Ks. Biskupa Wincentego Tymienieckiego 22G | 90-349 Łódź

+48 42 676 27 53 | +48 42 676 27 54 |

e-mail: info@sse.lodz.pl

Invested in the zone: Ambro Logistics Sp. z o.o., Aquila Radomsko Sp. z o.o., Meyer Tool IGT Sp. z o.o.

More information at: www.sse.lodz.pl/en/ | www.ostrzeszow.pl | www.miastoturek.pl

Ślupska Specjalna Strefa Ekonomiczna

ul. Obrońców Wybrzeża 2 | 76-200 Ślupsk

+48 59 841 28 92 | e-mail: office@parr.slupsk.pl

Invested in the zone: Albatros Aluminium Sp. z o.o., NORDGLASS Sp. z o.o.

More information at: www.sse.slupsk.pl/index.php/en

Wałbrzyska Specjalna Strefa Ekonomiczna „INVEST-PARK” Sp. z o.o.

ul. Uczniowska 16 | 58-306 Wałbrzych

+48 74 664 91 64 | e-mail: invest@invest-park.com.pl

Invested in the zone: Gestamp Polska sp. z o.o., Volkswagen Poznań sp. z o.o.,

BASF Polska sp. z o.o., REHAU sp. z o.o., Mahle Polska sp. z o.o.

More information at: www.invest-park.com.pl/en | www.inwestor.jarocin.pl/en | www.kalisz.pl

www.koscian.pl, | www.leszno.pl | www.rawicz.pl | www.nieruchomosci.srem.pl | www.wrzesnia.pl

Specjalna Strefa Ekonomiczna Małej Przedsiębiorczości S.A. Kamienna Góra

58-400 Kamienna Góra | ul. Papieża Jana Pawła II 11 A

+48 75 645 20 30 | e-mail: strefa@ssemp.pl

Invested in the zone: DR. SCHNEIDER AUTOMOTIVE POLSKA Sp. z o.o.,

TAKATA PARTS POLSKA Sp. z o.o.

More information at: www.en.ssemp.pl | www.przedsiębiorczyostrow.eu

2. Incubators, industrial and technological parks

The main purpose of those entities is to support newly established and developing companies by offering institutional support and what are, frequently, comprehensively prepared investment areas with **strong emphasis imposed on supporting an innovative activities.**

KALISZ

Kaliski Inkubator Przedsiębiorczości
Kalisz Business Incubator Foundation
ul. Częstochowska 25, 62-800 Kalisz
www.inkubator.kalisz.pl

POZNAŃ

Poznan Science and Technology Park
Adam Mickiewicz University Foundation
ul. Rubież 46, 61-612 Poznań
www.pptn.poznan.pl

LESZNO

Inkubator Przedsiębiorczości w Lesznie
Leszczyńskie Centrum Biznesu Sp. z o.o.
ul. Geodetów 1, 64-100 Leszno
www.lcb.leszno.pl

Poznański Park Technologiczno-Przemysłowy
ul. 28 Czerwca 1956r. nr 404,
61-441 Poznań
www.pptp.pl

Investment Zone I.D.E.A.

Wydział Promocji i Rozwoju
Urząd Miasta Leszna
al. Jana Pawła II 21a, 64-100 Leszno
www.leszno.pl

Park Przemysłowy LUVENA Sp. z o.o.

ul. Romana Maya 1,
62-030 Luboń
www.luvena-nieruchomosci.pl

OSTRÓW WIELKOPOLSKI

Ostrowski Park Przemysłowy Sp. z o.o.
ul. Wrocławska 93F
63-400 Ostrów Wielkopolski
www.opp-ostrow.pl

Nickel Technology Park Poznań Sp. z o. o.

ul. Krzemowa 1, Złotniki
62-002 Suchy Las
www.younick.pl

PIŁA

INWEST-PARK PIŁA Sp. z o.o.
ul. Dąbrowskiego 8
64-920 Piła
www.inwestpark.pila.pl

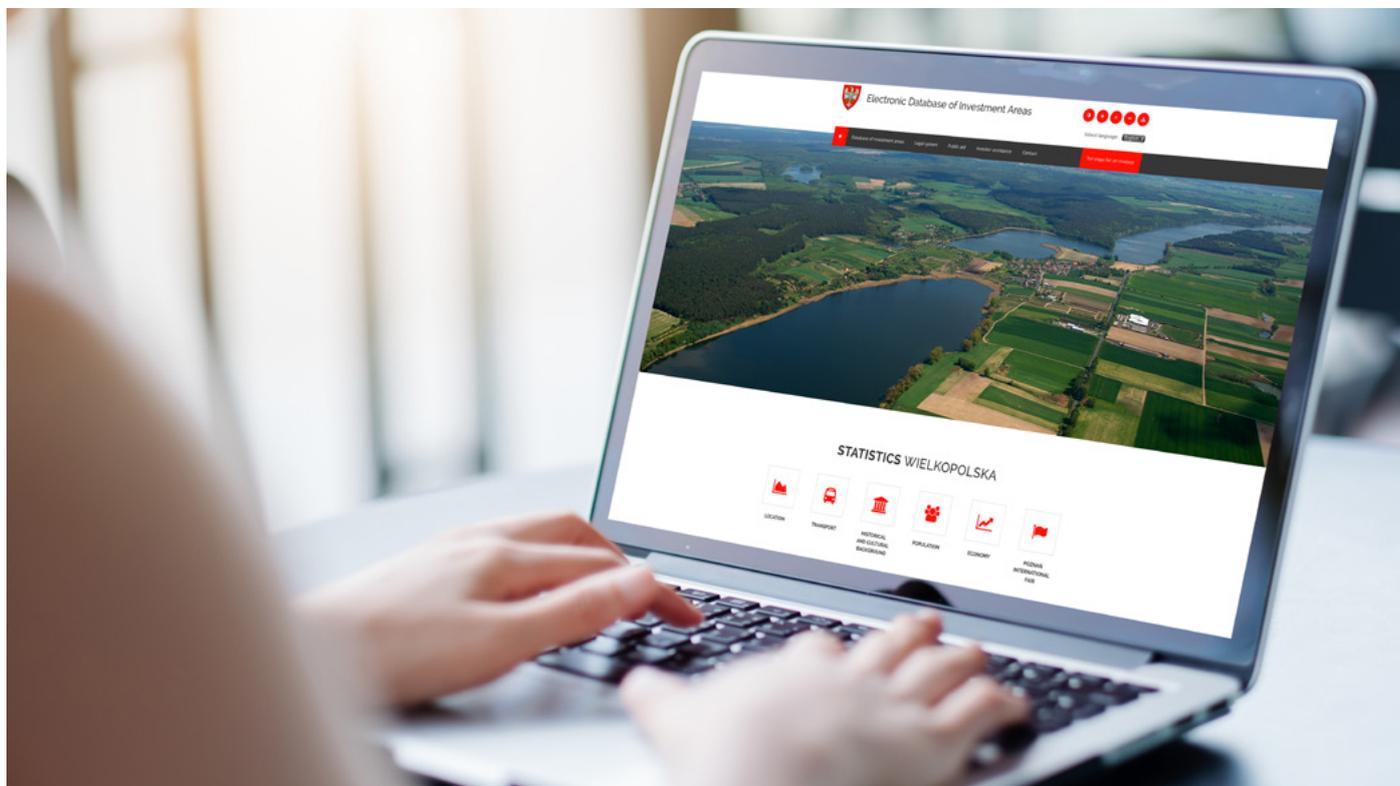
ŚREM

Śrem Investment Park
Urząd Miejski w Śremie
pl. 20 Października 1,
63-100 Śrem
www.nieruchomosci.srem.pl

TUREK

Turecki Inkubator Przedsiębiorczości
ul. Jedwabnicza 4,
62-700 Turek
www.inkubator.turek.pl

3. Wielkopolska – The best place for your investment



Entrepreneurs interested in locating their activity in Wielkopolska have at their disposal nearly 3,000 ha of well-prepared investment areas.

Information about investment offers can be found on the websites:

www.eboi.umww.pl | www.investinwielkopolska.pl

Wielkopolskie Region is building its investor support system basing on dynamically operating the Investors and Exporters' Service Centre and the Investor Assistance Centre which offer aid on every stage of investment, updated annually base of investment offers and co-operation with the Polish Investments and Trade Agency. The foundation of efficiently functioning system are good relations with local self-governments in Wielkopolska which prepare investment offers, collect information concerning local market and create packages of investment incentives attracting foreign and domestic investors.

Service for foreign investors is provided by:

The Investors and Exporters' Service Center
of the Wielkopolska Region
Marshal Office of the Wielkopolska Region in Poznan
al. Niepodległości 34
61-714 Poznań
Tel. +48 61 62 66 240
E-mail: coie@umww.pl
wielkopolskie.trade.gov.pl

The Investors and Exporters' Service Center
of the Wielkopolska Region
Marshal Office of the Wielkopolska Region in Poznan
ul. Piekary 17
61-823 Poznań
Tel. +48 61 22 40 797
E-mail: coi@investinwielkopolska.pl
investinwielkopolska.pl

1. Market and legal-administrative conditions of conducting an economic activity in Poland

In Poland, it is possible to conduct the economic activity in forms similar to those occurring in the European countries.

Amongst the forms available, it is possible to enumerate the following:

■ **commercial companies,**

i.e. co-operative forms with a profit-making purpose of at least two persons, with the exception of a limited liability company and a joint-stock company, which can be established by one entity. The company is established as a result of conclusion of a contract, in which partners or shareholders shall be obliged to pursue a common goal by making contributions and alternatively by other joint action. The functions of commercial companies are governed by provisions of law and the contract or statutes of the company which are concluded by partners or shareholders.

Commercial companies are divided into:

- capital companies (limited liability company and joint-stock company);
- partnerships (registered partnership, professional partnership, limited partnership, limited joint-stock partnership).

■ **Branch of the foreign entrepreneur**

– through the branch, the foreign entrepreneur can conduct the economic activity in Poland to the extent that it conducts it in the country of its registered office.

■ **Representative office of the foreign entrepreneur**

– representative offices held by the entrepreneur in Poland to allow him to conduct activity limited exclusively to the extent of its advertising and promotion.

■ **Actividad económica individual** (incluso como parte de una sociedad civil).

Income taxation

Significant difference between conducting economic activity in the form of a **partnership** and a **capital company** makes a manner of their taxation.

In a partnership (excluding limited joint-stock partnership), taxpayers are exclusively partners of those partnerships but not the partnership itself. Thus, only income earned by the partner is subjected to taxation. Depending on whether the partner is a natural person or legal person, he will be subject to the personal income tax (PIT) or corporate income tax (CIT).

Income of the **capital company** (and the limited joint-stock partnership) is subject to taxation twice – the first time at the level of the company as the taxpayer of the corporate income tax and then the level of partner who earns a dividend.

2. Searching for a place for the investment

The investor who considers starting an investment activity in the region does not have to search individually for an area of economic activation in particular communes. Strictly profiled inquiry which will specify a general expectation (for example a type of searched real estate, size, distance from transport nodes, utility demand, expectations regarding the labour market etc.) should be passed to specialised institutions which have access to databases from investment areas in the region. Contact with them guarantees an access and verification of offers.

More information about this topic as available in Part III, Chapter 4: Wielkopolska – the best location for your investment.

PART IV 10 STEPS OF THE INVESTOR

3. Company set up and registration

In 2011, the Central Registration and Information on Business (CRIB) was implemented. Application for entry into this register is the primary duty of a new entrepreneur and without completing this process, economic activity is impossible. The application shall be submitted through the Internet, personally in a proper commune office or sent by the registered letter.

The CEIDG-1 application form is for a natural person conducting economic activity and is comprised of:

- an application for assignment the REGON [National Business Registry Number],
- an application for assignment the NIP [Taxpayer Identification Number],
- a declaration regarding form of taxation (general principles, flat tax, flat fee and fixed amount tax),
- a report to ZUS [Social Insurance Company] as a social insurance contributor.

Generally speaking, starting economic activity is possible at the moment of submission for an application for entry into the register. The entry shall not be made later than on the next working day after receive by the register a correctly completed application. The print from the CEIDG website (www.ceidg.gov.pl) is the certificate of entry. This print is the primary document which confirms owing the status of the entrepreneur and which is suitable for everyday use in relations with institutions and external entities. It takes 1 day to set up a company in Poland, to obtain a NIP number (if we haven't it yet) there is a wait of up to 3 days, but the company can conduct actions earlier.

4. Land purchase

To acquire real estate in Poland, a foreigner (a person who does not have Polish citizenship) who is not a citizen of the European Union, Norway, Iceland, Lichtenstein nor the Swiss Confederation has to obtain a permission issued by the Minister of the Interior and Administration. Permission is required in particular to acquire a real estate by the foreigner and the right of perpetual usufruct. Perpetual usufruct is a specific right, similar to the right of ownership but it is limited due to time (entitlement lasts for a term not longer than 99 years).

Documents connected with acquisition of the real estate:

- deed of ownership of a plot or up-to-date certified copy from the land and mortgage register of the real estate,
- up-to-date excerpt and a map extract from the land and property register, determining location and indication of the real property,
- excerpt and a map extract from the local area development plan, determining a current status of a plot and intended use of the land.

Costs and fees:

- zoning fee,
- obtaining the up-to-date certified copy from the land and mortgage register (obtained in a relevant District Court, Land and Mortgage Division),
- costs of drawing up the notarial act,
- obtaining excerpts and map extracts from the land and property register and the local area development plan (obtained in a relevant commune office).

5. Investment preparation – permits

Acquisition of a real estate with intent to apply for planned investment requires a prior check for a few essential information, most of all it is necessary to:

- 1. check** if the real estate is included in the **local area development plan**, hereinafter referred to as the “**local plan**”,
- 2. settle** whether the real property where the investment has to be established is intended for:
 - agricultural use,
 - industrial use,
 - construction use,

3. settle if the transferor of the real estate has the title to it and if other entities, especially state or self-government, have not got a right of pre-emption or other entitlements or claims in relation to the real estate which is being acquired.

Assuming that the real estate has a clear legal status and according to provisions, it can be intended for the envisaged type of investment, the construction process can be started. Within this progress, it is required to obtain a final decision on construction permit, issued pursuant to the provisions of the construction law and administrative proceedings.

Decision on construction permit can be issued:

- directly, based on provisions of a local plan,
- if such plan is not applicable then pursuant to the decision on development conditions in the term of its validity.

An essential element determining whether the construction permit is obtained is the **decision on environmental conditions of an approval of an undertaking (in short, environmental decision)**. It is a mandatory administrative decision issued by the relevant commune office and can be the element of further process of obtaining administrative permits to complete the undertakings, which can have a significant impact on the environment, i.e. Environment Impact Assessments.

If there is no local plan, until a competent body will adopt it, investors have to obtain a decision on land development conditions (“DC”) which is a necessary condition to apply for the construction permit decision.

The investor submits a proper application for the decision on land development conditions to a body competent in relation to a location of the land:

- Head of commune, mayor [of a commune] or mayor [of the city],
- Region governor – in relation to confined space as defined in provisions of the Construction Law,
- Head of commune, mayor [of a commune] or mayor [of the city] – within whose jurisdiction most of the investment area is located – in the event of investments exceeding an area of one commune.

Construction works can generally be started only pursuant to a final, non-appealable **decision on construction permit** issued by a competent body – district governor (mayor [of the city] or a Region governor. In order to complete the construction process successfully, it is also required that in the events envisaged in the construction law an occupancy permit be obtained. Owing to its particular investment character, its untypical location or other specific features, an additional decision preceding a proper start or completion of the investment may also be required.

6. Registered office/enterprise construction

Starting a building of an enterprise takes place pursuant to a final permit issued by a competent body and is the end of all efforts connected with obtaining proper permits, which takes, depending on a character of investment, from 6-12 months. According to the law, the participants in the construction process are investor, construction site inspector, project engineer, project manager or site manager. Seven days before the start of the construction, the district governor (District Construction Supervision Inspector) and the project engineer (supervising the compatibility between the project and construction process) have to be noticed about the term of the construction.

7. Employees recruitment

While planning the investment, we need to know what demand concerning employees performing specified tasks will be. Recruitment activities should have been undertaken during the enterprise construction. Contact and support from the Regional Employment Office and district employment offices are essential. They have information concerning labour market potential and available employees with specified education and occupational experience. Those institutions carry out different programmes concentrating on the promotion of employment, which can be useful for employers. If the entrepreneur does not know the local labour market, the recruitment companies can be very helpful in facing the above challenges, providing verification and recruitment services. Thanks to hiring recruitment companies, specification of the expectations of new employees will enable selection of the best candidates both for manager positions and at the lower levels.

8. Employment

The Labour Code is the primary and the most important enactment governing relations between the employers and employees and so gives the terms under which the work can be provided on the territory of the Republic of Poland.

Employment contract can be concluded:

- for an indefinite period of time,
- for a definite period of time,
- for a completion of a specific task,
- in order to substitute another employee during his/her absence or during his or her excused absence at work; the employer can employ another employee on the base of an employment contract for a definite period of time which includes the period of this absence.

The employment contract has to be concluded in a written form. The employment contract should be signed not later than on the day when the employee starts working.

The employment contract can be terminated in several ways:

- by mutual consent of parties,
- by declaration of one party to the employment contract (employer or employee) with observance of the notice period,
- by declaration of one party without observance of the notice period.

The contract concluded for the definite period of time or for a completion of specified task (specific work contract, mandate contract) terminates after sufficient period of time or completion of work (but in some cases it can be terminated earlier without the notice). According to the Labour Code, working time is 8 hours per day and average 40 hours per week. Possible changes concern continuous working day and overtime work acceptable to a total of 150 hours annually per each employee. Together with overtime, weekly working time cannot exceed an average 48 hours in an accepted settlement period.

9. Communications and information technology infrastructure

Thanks to the support of EU funds, a project was implemented in the voivodeship, under which a broadband backbone network and a distribution network with backbone nodes and distribution nodes were built in the whole area of Wielkopolska. This investment became the basis for further computersation of the region.

The entities conducting economic activity willing to be connected to the network have then to submit relevant documents:

- company registration documents,
- document that confirms its legal status and the registered office,
- confirmation of the title to the premises where the network termination shall be installed, original certified copy from
- the National Court Register.

The largest providers of telecommunications and Internet: Orange, Plus GSM, T-mobile, Play, Netia SA and INEA.

10. Outsourcing services

In the world of global business relations, the role of companies providing outsourcing grows stronger. In addition, owing to the number of business entities Wielkopolska has become an attractive market for such actions. It is possible to find without any problems here companies representing BPO (Business Process Outsourcing), SCC (Shared Services Centres), R&D (Research and Development) or HR industries that perfectly perform delegated tasks, at the same time decreasing operating costs of the companies



PART V WHAT ELSE YOU SHOULD KNOW?

1. Poland - administrative division

Since 1998, Poland has had a three-tier territorial administrative division – the basic unit is the commune, the district is the larger unit and the region is the largest. Wielkopolska is one of 16 self-governing regions. Each level of self-government plays an essential role for entrepreneurs by issuing administrative decisions, permits and by promoting areas intended to economic activation. Wielkopolska has 226 communes whose authorities stand among other registered economic entities and 35 districts which, among others, issue construction permits.

2. Stay and work permit

Foreigners who would like to legalise their stay in Poland on the base of commencement or continuation of work in Poland should apply for a temporary stay and work permit.

In the event of a temporary stay and work permit, the foreigner has to submit the following documents:

- health insurance,
- submit documents which certify ownership of sources of a stable and regular income, efficient to cover the costs of maintenance for himself/herself and family members,
- documents confirming having an assured place of residence,
- information from the Starosta concerning the result of the labour market test or documents confirming the exemption from the obligation to have a work permit,
- tax return, for example PIT, submitted to the tax office,
- certificate of no tax arrears.

Issued temporary stay and work permit is valid for a maximum of 3 years. Usually this period depends on the documents submitted by the foreigner.

Citizens of member states of the European Economic Area and Switzerland, members of their families and persons having permanent resident permit are not subject to the obligation concerning having work permit in Poland.



3. Tax system and avoidance of double taxation

Tax system in Poland has been evolving for years and currently in our country we distinguish 13 types of taxes.

Direct taxes:

- **Personal income tax (PIT)**
 - the taxation base in personal income tax is generally a sum of incomes coming from different sources of revenues. Income has been defined by the legislator as a difference between sum of revenues and costs of their earning in a tax year. Currently, the first tax threshold is 18% from income (in excess of the tax-free amount, determined on the basis of earnings) up to PLN 85,528.00 annually while the second tax threshold is 32% (calculated from the surplus of this amount);
- **Corporate income tax (CIT)**
 - the tax rate for legal entities in Poland is currently 19%. The Act also provides for a 50% sanction rate in the case of understatement of tax liability by affiliated entities, as well as preferential rates (9% and 15%) for smaller entrepreneurs;
- tax on inheritance and donations;
- tax on civil law transactions;
- agricultural tax;
- forest tax;
- real estate tax;
- transport vehicle tax;
- tonnage tax;
- mineral extraction tax.

Indirect taxes:

- **value added tax (VAT)**
 - basic rate is 23%; the other rates are: 8%, 5% and 0% for export and intra-Community supply of goods,
- excise tax,
- gambling and lottery tax.

Natural persons conducting an economic activity (registered in the commune office or city hall office) can choose their taxation form according to the two-level tax rate or 19% flat tax. Personal income tax involves entire income of persons who have their place of residence on the territory of the Republic of Poland or stay on the territory of the Republic of Poland for more than 183 days during the tax year. Taxation principles are governed by provisions of the Act from 26th July 1991 on the personal income tax. More information at: www.mf.gov.pl, where also information and enactments concerning rules of double taxation avoidance can be found. While conducting economic activity, local taxes play essential role. Their level is determined by the commune council. According to the law applicable, the rate of **tax on lands allocated to conduct economic activity** cannot exceed amount of PLN **0.91 per 1m²** annually; **rate of professional tax on the buildings (or their parts)** cannot exceed PLN **23.10 per 1m²** floor space annually.

PART V WHAT ELSE YOU SHOULD KNOW?

4. Social security system

In Poland, there is mandatory social security for employees.

Income is the basis for calculating the contributions and employees are subject to insurance on a following assessment:

- old-age insurance – 19.52% of the assessment base,
- annuity insurance – 8.00% of the assessment base,
- sickness insurance – 2.45% of the assessment base,
- accident and health insurance – depending on the type of performed work from 0.67 to 3.33% of the contribution assessment base.

5. Custom rules

Poland as a member of the European Union is involved in the customs union with other European countries – goods imported and exported within the Community do not include duty. Contemporaneously pursuant to the community law, our country was obliged to accept the Common Customs Tariff (TARIC).

Rules, rates and other information are available at:

www.isztar.mf.gov.pl.

6. Public procurements

The manner of acquisition of the area or structures for the investment depends on who is its owner. If the owner is the public institution, for instance, then local self-government applies and the process of conveyance is carried out according to the public procurement procedure. The principles of carrying out those procedures are governed by the Procurement Law involving public finances, construction works, services, supplies and other orders, where order value exceeds EUR 30,000.00. The Public Procurement Office is liable for coordination and regulation of all matters concerning the public procurements, which at its website: <http://www.uzp.gov.pl/> clarifies many important questions.

PART VI EXTERNAL FINANCING – POSSIBILITIES FOR ADDITIONAL DEVELOPMENT

1. Public aid

Right to public aid determines rules of the state's participation within entrepreneurs' activities. State aid can be provided to specified sectors and regions of economic entities as well as being connected to undertaking specified economic goals.

The most typical forms of public aid are:

- financial and in-kind grants, loans and credits (for example, lending at lower interest rates, where the difference is covered by state funds),
- guarantees and sureties given by State Treasury with budget effects,
- tax preferences (tax exemptions and reliefs, tax rates reductions, deferment of the payment term or remittance),
- equity instruments (for example, acquisition of shares in the enterprise capital using state's funds),
- decreasing the level of fees on account of environment protection or public procurement receivables, etc.

Member states of the EU can provide such kind of public aid to those regions where a low standard of living occurs or where serious underemployment is present. Its amount shall be decided according to the regional aid map which has been created for all regions of the European Union. The entire territory of Poland has been qualified to obtain such kind of aid, but with a different intensity for different regions of the country. The maximum intensity of regional aid, calculated as relation of regional aid value and expressed as donation gross equivalence to costs qualified to be targeted for assistance, is 25% in Wielkopolska. The maximum intensity of regional aid given to small and medium enterprises (excluding new investments with eligible costs exceeding EUR 50 millions) is increased by 20% for small-sized and 10% for medium-sized enterprises in relation to maximum intensity for the region.

More information is available at:

www.parp.gov.pl | www.mpit.gov.pl | www.miir.gov.pl | www.paih.gov.pl

2. Poland in the European Union and EU Funds 2014-2020

Since 2004, Poland has been a member of European Union which entails numerous possibilities for companies to access funds for their activities. The EU funds available in 2014-2020 come from the European Regional Development Fund (ERDF), European Social Fund (ESF) and Cohesion Fund (CF). Self-government of the Wielkopolska Region plays an essential role in fund distribution which, through the Regional Operational Programme, subsidises numerous projects having a positive influence on economic development of the region. In the country, the following operational programmes are available:

- Infrastructure and Environment Programme,
- Intelligent Development Programme,
- Knowledge Education Development Programme,
- Digital Poland Programme,
- Eastern Poland Programme,
- Technical Assistance Programme,
- European Territorial Cooperation Programme,
- Rural Development Programme,
- Programme concerning fishery and sea,

More information available at:

www.wrpo.wielkopolskie.pl | www.funduszeuropejskie.gov.pl

3. Institutions providing support within the EU funds

EU funds can be a significant support for entrepreneurs which will make it easier to develop and achieve defined goals. But the key is the ability to find through the various programmes available those most suitable to be used while performing specific actions.

For this purpose, European Fund Information Points (<http://www.wrpo.wielkopolskie.pl/punkty-informacyjne>) functioning in the Wielkopolska are very helpful and provide advice from which sources and programmes current actions can be supported and what to pay special attention while preparing an application.

4. Credits, loans, leasing – another source of financing

Credits and loans are popular instruments for financing ongoing concern business. Although both formulas are similar, they differ most of all in their source and legal form connected with their lending and service.

Credits, governed by the Banking Law can be divided among others into:

- working capital facility – designed to finance an ongoing concern business,
- investment loan – lent to finance investment,
- mortgage – mostly used to finance company's activity, for example for purchase, renovation and modernisation of the building.

The loans governed by provisions of the Civil Code can have a revolving (supporting an ongoing concern business) and investment character (having as a purpose a long-term development of the enterprise). In Wielkopolska, the Wielkopolska Agency for Enterprise Development Ltd. (www.warp.org.pl) is a very good source of lending loan, where financial instruments coming from the Agency's own funds and the JEREMIE European Commission Initiative have already supported many enterprises. The institutions operating in the voivodship for the development and promotion of Wielkopolska are: Wielkopolska Development Fund (www.wfr.org.pl) and Fundusz Rozwoju i Promocji Województwa Wielkopolskiego S.A. (www.fripwww.pl). The first institution helps Wielkopolska's entrepreneurs to develop their business by offering finance for companies in the form of a number of financial products, including a regional loan, expansion loan or a financial line made available to financial intermediaries. The task of FRIPWWW is to help entrepreneurs by granting guarantees for loans, credits, leases and tender deposits. The Company also organises courses and trainings, provides economic advice and facilitates making contact with entrepreneurs from outside the region.

Another form of support is leasing. In leasing, one party to the contract transfers to the other party a right to use a particular thing for a period of time agreed in the contract in exchange for settled leasing instalments. In Polish law this formula is regulated by the Civil Code.

There are two basic types of leasing:

- financial (capital) leasing,
- operational (service) leasing.

Product of this type is commonly available in our region, offered by specialised companies and banks.

More information available at:

www.mf.gov.pl

5. Institutions supporting entrepreneurs in Wielkopolska

Support for entrepreneurs at each stage of the investment process is being carried out by many professional institutions:

- at the stage of searching for an area for investment – Marshal Office of the Wielkopolska Region in Poznan (The Investors and Exporters' Service Center of the Wielkopolska Region), Association of Wielkopolska Municipalities and Counties (Investor Assistance Centre) – these institutions aim to inform, promote region and provide services for the foreign entities which are interested in investing in Wielkopolska;
- at the stage of company building, development and financial support - Wielkopolska Agencja Rozwoju Przedsiębiorczości, Wielkopolski Fundusz Rozwoju, Fundusz Rozwoju i Promocji Województwa Wielkopolskiego S.A. (credits, grants), Bank Gospodarstwa Krajowego (financial instruments), European Funds Information Points (advisory concerning EU funds) – those institutions offer optimal financial solutions for entrepreneurs and indicate sources and a way of acquiring EU funds.
- at the stage of development of new products and building relationships with other entities in the industry - Wielkopolski Klaster Teleinformatyczny Wklaster, Klaster Leszczyńskie Smaki, Klaster Spożywczy Południowej Wielkopolski, Leszczyński Klaster Budowlany, Klaster Przetwórców Szkła Budowlanego, Wielkopolski Klaster Lotniczy, Waste-Klaster, Pleszewski Klaster Kociarski - Industry industrial clusters that support and promote the development of a given sector in order to gain a good position on the market.

Commune and district self-governments play a significant role in the afore-mentioned processes as well as numerous commercial entities (legal firms, HR companies, banking institutions) which provide professional services to their customers.

More information available at:

www.umwww.pl | www.wrpo.wielkopolskie.pl | www.investinwielkopolska.pl
www.paih.gov.pl | www.en.bgk.pl | www.parp.gov.pl

1. National institutions

MINISTRY OF INVESTMENT AND DEVELOPMENT

ul. Wspólna 2/4, 00-926 Warszawa
+48 22 25 00 130 | www.mii.gov.pl

MINISTRY OF ENTERPRISE AND TECHNOLOGY

Plac Trzech Krzyży 3/5, 00-507 Warszawa
+48 22 26 29 000 | www.mpit.gov.pl

MINISTRY OF FINANCE

ul. Świętokrzyska 12, 00-916 Warszawa
+48 22 69 45 555 | www.mf.gov.pl

POLISH INVESTMENT AND TRADE AGENCY S.A.

ul. Bagatela 12, 00-585 Warszawa
+48 22 33 49 800 | www.paih.gov.pl

POLISH AGENCY FOR ENTERPRISE DEVELOPMENT

ul. Pańska 81/83, 00-834 Warszawa
+48 22 43 28 080 | www.parp.gov.pl

CENTRAL STATISTICAL OFFICE

Al. Niepodległości 208, 00-925 Warszawa
+48 22 60 83 000 | www.stat.gov.pl

SOCIAL INSURANCE COMPANY

Centrala Zakładu Ubezpieczeń Społecznych
ul. Szamocka 3, 5, 01-748 Warszawa
+48 22 66 71 000 | www.zus.pl

PUBLIC PROCURMENT OFFICE

ul. Postępu 17a, 02-676 Warszawa
+48 22 45 87 701 | www.uzp.gov.pl

THE OFFICE FOR FOREIGNERS

ul. Taborowa 33, 02-699 Warszawa
+48 22 60 17 413 | www.udsc.gov.pl

2. Regional institutions - Wielkopolska

MARSHAL OFFICE OF THE WIELKOPOLSKA REGION IN POZNAŃ

al. Niepodległości 34, 61-714 Poznań
+48 61 62 66 666 | www.umww.pl

REGION GOVERNOR'S OFFICE

al. Niepodległości 16/18, 61-713 Poznań
+48 61 854 10 00 | www.poznan.uw.gov.pl

EUROPEAN FUNDS INFORMATION POINT IN POZNAŃ

Marshal Office of the Wielkopolska Region in Poznań
al. Niepodległości 34, 61-714 Poznań
+48 61 62 66 192 | www.wrpo.wielkopolskie.pl

FUNDUSZ ROZWOJU I PROMOCJI WOJEWÓDZTWA WIELKOPOLSKIEGO S.A

ul. Szyperska 14, 61-754 Poznań
+48 61 67 10 481 | www.fripww.pl

WIELKOPOLSKA DEVELOPMENT FUND

ul. Szyperska 14, 61-754 Poznań
+48 61 671 71 71 | www.wfr.org.pl

WIELKOPOLSKA AGENCY FOR ENTERPRISE DEVELOPMENT LTD.

ul. Piekary 19, 61-823 Poznań
+48 61 65 63 500 | www.warp.org.pl

ASSOCIATION OF WIELKOPOLSKA MUNICIPALITIES AND COUNTIES, INVESTOR ASSISTANCE CENTRE

ul. Piekary 17, 61-823 Poznań
+48 61 22 40 797 | www.sgipw.wlkp.pl
www.investinwielkopolska.pl

POZNAŃ INTERNATIONAL FAIR

ul. Głogowska 14, 60-734 Poznań
+48 61 86 92 000 | www.mtp.pl

THE REGIONAL CONSTRUCTION SUPERVISION INSPECTOR FOR THE WIELKOPOLSKIE REGION

al. Niepodległości 16/18, 61-713 Poznań
+48 61 85 41 154 | www.winb.poznan.ibip.pl

TABLE OF CONTENTS:

I WIELKOPOLSKA – THE POWER OF OPPORTUNITIES

Invitation to invest	1.
Investors	2.
How to use the Investor's Guidebook?	2.

II WIELKOPOLSKA – THE REGION OF BUSINESS

Statistical data	3.
1. Location, historical and cultural background	3.
2. Transport	4.
3. People and economy	4.
4. Poznań International Fair	8.

III WIELKOPOLSKA – THE BEST LOCATION FOR YOUR INVESTMENT

1. Special Economic Zones – incentives for investors	9.
2. Incubators, industrial and technological parks	11.
3. Wielkopolska – The best place for your investment	12.

IV 10 STEPS FOR THE INVESTOR

1. Market and legal-administrative conditions of conducting an economic activity in Poland	13.
2. Searching for a place for the investment	13.
3. Company set up and registration	14.
4. Land purchase	14.
5. Investment preparation – permits	15.
6. Registered office/enterprise construction	16.
7. Employees recruitment	16.
8. Employment	16.
9. Communications and information technology infrastructure	17.
10. Outsourcing services	17.

V WHAT ELSE YOU SHOULD KNOW

1. Poland - administrative division	18.
2. Stay and work permit	18.
3. Tax system and avoidance of double taxation	19.
4. Social security system	20.
5. Custom rules	20.
6. Public procurements	20.

VI EXTERNAL FINANCING – POSSIBILITIES FOR ADDITIONAL DEVELOPMENT

1. Public aid	21.
2. Poland in the European Union and EU Funds 2014-2020	21.
3. Institutions providing support within the EU funds	22.
4. Credits, loans, leasing – another source of financing	22.
5. Institutions supporting entrepreneurs in Wielkopolska	23.

VII ADDRESS GUIDE

6. National institutions	24.
7. Regional institutions - Wielkopolska	25.