THE CHEMICAL AND PLASTICS
INDUSTRIES IN POLAND

Invest in Poland
Polish Information and Foreign Investment Agency
www.paiz.gov.pl

1. General characteristics of the Polish chemical market

The Polish chemical industry is basically divided into three production segments:

Large-tonnage chemistry	Low-tonnage chemistry	Chemical processing
▪ Petrochemical industry ▪ Soda industry ▪ Sulphuric acid industry ▪ Fertilizers industry ▪ Artificial fibres industry	▪ Pharmaceutical industry ▪ Cosmetics industry ▪ Supportive agents industry	▪ Rubber industry ▪ Plastic goods processing industry ▪ Paints and varnishes industry

The chemical industry is one of the most automated sectors. It requires much more investment than most other sectors. The chemical industry also requires highly-qualified personnel including scientists and engineers. The number of staff is not as important in this sector as their qualifications and know-how.

Chemical production is focused on semi-processed products which are then used in other industrial sectors. One of the biggest issues that this sector faces is its negative external effect on the environment, as it produces tons of aggressive and dangerous wastes and pollutants.

2. Sold production of chemical industry in Poland

The total value of sold production of Polish industry in 2007 was PLN 835,014 million, of which 10.78% came from the chemical sector. The sold production of chemicals in 2007 grew by 5.7% in comparison with 2006.

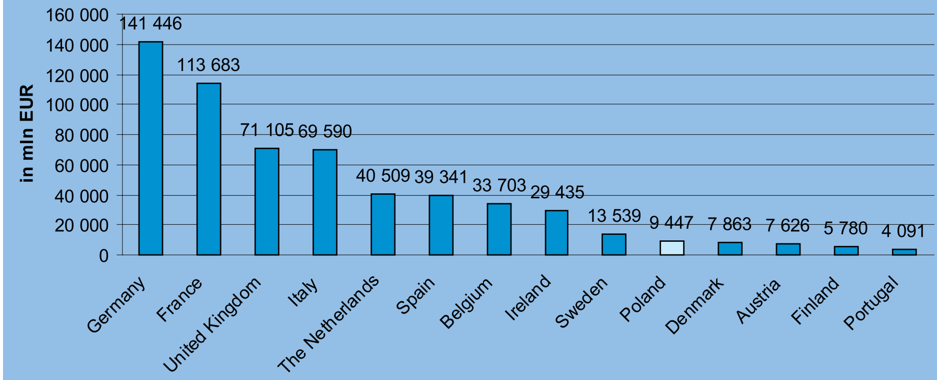
Sold production of Polish chemical industry (million PLN)

	2003	2004	2005	2006	2007
industry overall	564,622.00	678,521.40	698,710.80	784,721.1	835,014.10
production of chemical goods	35,584.00	40,989.00	43,062.00	46,349.80	48,605.40
production of rubber and plastic goods	27,295.00	31,625.00	34,538.00	35,876.10	41,449.00

Source: GUS

3. Polish chemical industry's position on the EU market

Chemical production in European Union countries



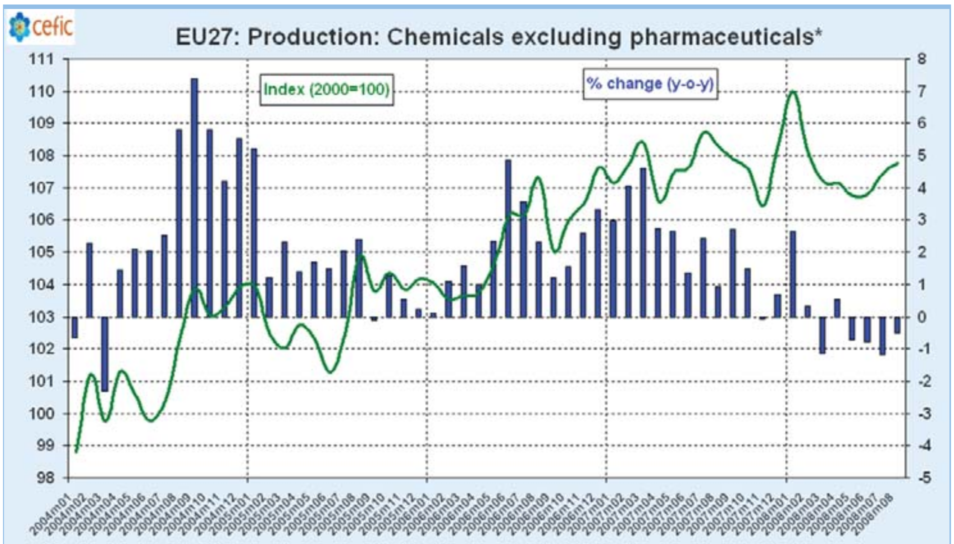
Source: Eurostat, 2007

4. Chemical production in Europe

The chemical industry in Europe is one of the most important sectors of the economy. Production of basic chemicals is dominant in the sector, followed by production of plastic goods, and the last main sub-sector is the pharmaceutical industry. The European Union is the biggest chemical goods producer in the world, followed by the United States and Japan, which results from the high volume of chemical production in such European Union countries as Germany, France, Italy and the United Kingdom. Those countries combined contribute as much as 68% of the total EU chemical production in volume.

In total there are about 31,000 chemical businesses registered in Europe, most of which are small and medium-sized companies employing fewer than 250 people.[1]

2006 witnessed an increase in chemical production in EU countries by 2.6% in comparison with 2005.



Source: Eurostat & CEFIC, •Overall chemicals (Nace 24) – Pharmaceuticals (Nace 244)

1 „The European chemical industry, A global leader in innovation, supporting growth and well-being in Europe" Cefic, 2008

The Polish chemical sector is divided into two main sub-sectors:

I. Production of chemical goods	II. Production of rubber and plastic goods
▪ Basic chemicals (organic and inorganic semi-finished products, plastic goods, fertilizers, rubber, pigments, technical gas) ▪ Pesticides and other agricultural chemical agents ▪ Paints and varnishes ▪ Pharmaceutical goods ▪ Consumer chemical goods ▪ Explosive materials, glues, gelatine, photo chemicals ▪ Artificial fibres (chemical)	▪ Rubber goods ▪ Plastic goods (manufacturing)

5. General characteristics of Poland's chemical sector

In Poland there were 1.947 companies registered in the chemical industry in 2006. Number of employees in the sector in 2006 was 79,988.6 persons.
Sold production of chemical goods in value in 2007 grew by 9.5% in comparison with 2006, to PLN 90,054.4 million. The highest growth was noted in the production of pesticides, paints and varnishes, rubber goods (especially tires) and caustic soda. On the other hand there was a slight decrease in ethylene, propylene, polypropylene and caprolactam production.
Export of chemical goods in 2007 was EUR 101.1 mld, and imports were EUR 118.8 mln. This negative trade balance highlights the need for further investment in this sector.

Chemical production in Poland

	2003	2004	2005	2006	2007
industry overall	564,622.0	678,521.0	715,588.0	784,721.1	835,014.10
production of chemical goods	62,879.0	72,641.0	77,600.0	82,225.9	90,054.4

Source: GUS

6. Share of the chemical industry in overall industrial production in Poland in 2005

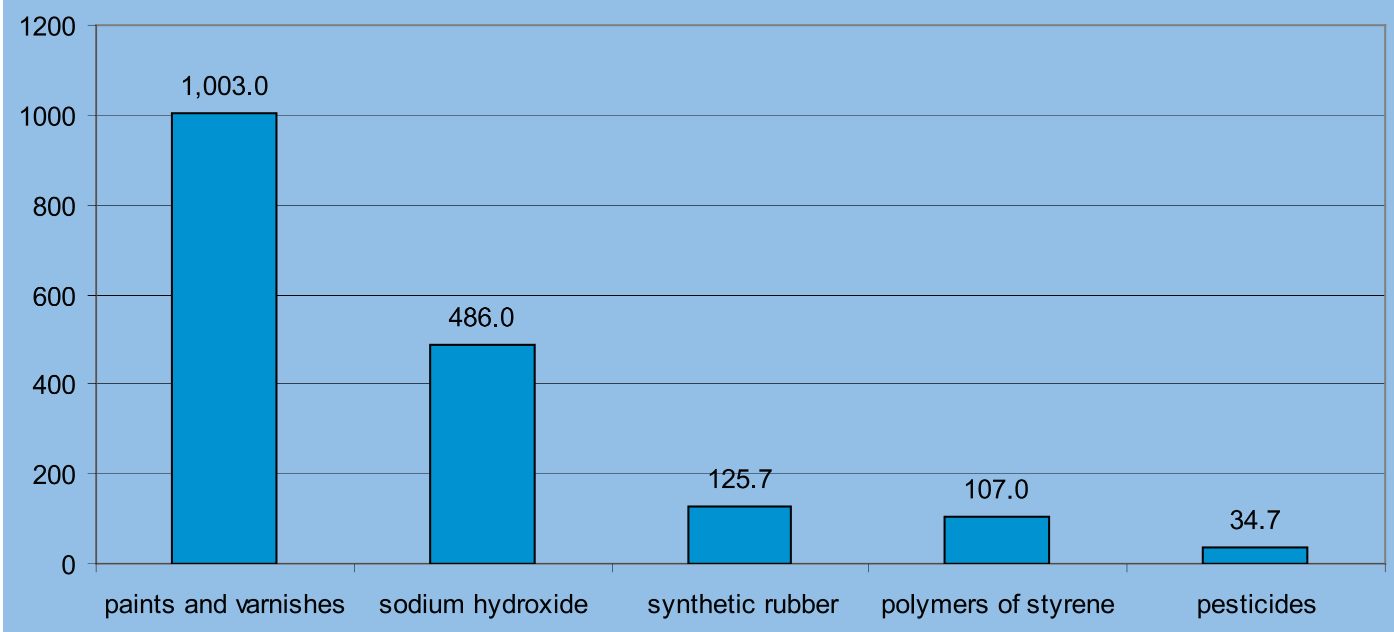
Value of sold chemical production increased by 9.5% in 2007 compared to 2006. Total chemical production was PLN 90,054 million, which constituted 10.78% of overall industry production in 2005.

7. Profile of Polish and European chemical industry

The Polish chemical industry is at a significantly lower level of development than its counterparts in other EU countries. Poland is trying to improve both production technology and management in the chemical industry sector, however. By participating in UNECE legislative works, Poland is striving to implement EU directives in chemical goods production, and to implement quality management systems in chemical production businesses.

8. Chemical production in Poland

The graph below presents production of selected chemical goods in Poland in 2007 (in thousand tonnes). The predominant segment of production is paints and varnishes.



Source: Polish Chamber of Chemical Industry

9. Production of principal types of chemical goods (thousand tonnes)

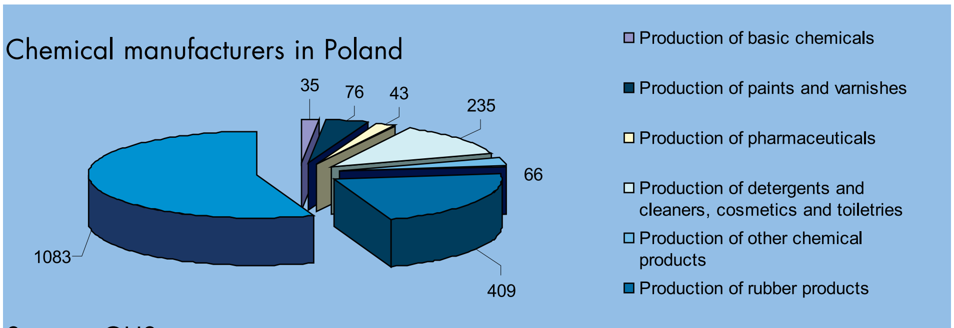
The highest increase of production was noted in the mineral and chemical fertilizer segment. On the other hand, the production of polyethylene and polypropylene faced a slight decrease in volume. The growth of production of other chemicals, however, contributed to the increase in overall chemical goods production.

Name of the product	2002	2003	2004	2005	2006	2007
Sodium hydroxide (caustic soda) in terms of 96%	395.0	386.0	452.0	491.0	461.0	486.0
Soda ash in terms of 96%	1,904.0	1,133.0	1,191.0	1,212.0	1,200.0	1,216.0
Batudiene	51.4	44.1	46.0	40.9	61.3	59.3
Toluene	102.0	94.0	86.2	89.9	128.0	137.0
Phenol	50.7	52.5	53.0	43.5	44.5	49.7
6-heksaonolaktam (epsilon-caprolaktan)	153.0	152.0	149.0	160.0	160.0	161.0
Technical nitric acid in terms of 100%	1,687.0	1,028.0	2,117.0	2,245.0	2,335.0	2,306.0
Synthetic ammonia (condensed) in terms of pure ingredient	893.0	1,083.0	1,090.0	2,519.0	2,434.0	2,461.0
Mineral and chemical fertilizers in terms of pure ingredient	2,076.0	2,399.0	2,545.0	2,607.0	2,555.0	2,796.0
Polyethylene	168.0	157.0	150.0	152.0	369.0	393.0
Polymers of styrene, incl:	86.4	80.5	96.3	91.6	102.0	107.0
- Expandable polystyrene	53.3	58.9	57.6	59.3	72.4	63.9
Polyvinyl chloride not mixed	248.0	256.0	268.0	215.0	278.0	303.0
Polypropylene	143.0	143.0	138.0	148.0	324.0	256.0
Synthetic rubber	84.1	88.8	106.6	106.5	122.7	125.7
Pesticides	21.5	22.6	30.7	30.7	30.9	34.7
Paints, varnishes and similar coating materials, printing inks and off-the shelf siccatives	800.0	748.0	979.0	837.0	877.0	1,003.0
Soaps and surfactants	43.1	47.1	50.6	51.4	53.9	58.2
Synthetic chemical fibres	96.0	97.9	102.0	98.7	90.4	72.4

Source: Polish Chamber of Chemical Industry

10. Producers of chemical goods in Poland

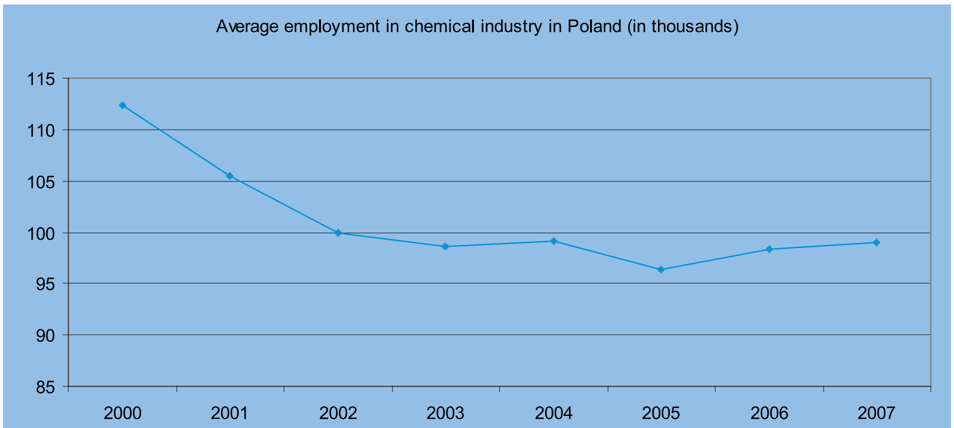
According to a Ministry of Economy report, 1,947 companies were registered in the chemical production sector in 2006. There were 455 companies operating in the chemical goods production and 1,492 in rubber and plastic goods production.



Source: GUS

11. Employment in the chemical industry

In 2007 average employment in the chemical industry increased by 4,3% from 2006.



Source: GUS

12. Labour productivity, salary

Labour productivity in the chemical sector is growing steadily, with a 3.5% increase in 2007 in comparison to 2006. The average monthly gross salary in the chemical industry in 2007

Labour productivity in the chemical industry (thousand PLN per person)

Labour productivity	Year				
	2003	2004	2005	2006	2007
chemical industry	293.8	333.4	333.13	364.5	377.4

Source: Polish Chamber of Chemical Industry was PLN 3,671 in production of chemical products, which was over PLN 170 more than in 2006, and PLN 2,3640 in production of plastic and rubber goods.

Average monthly gross salary in chemical industry (PLN)

Type of production	Average gross salary 2006	2007
Production of chemical products:	3,499	3,671
Production of rubber and plastic goods:	2,430	2,640

Source: GUS, Polish Chamber of Chemical Industry

13. Environmental protection in the chemical industry

The chemical industry is commonly considered to be one of the most damaging sectors for the environment. Chemical companies, however, are making efforts to introduce modern and environment-friendly solutions in order to protect the environment, and are allocating substantial funds to diagnosis and research which will result in a decrease of pollutants and wastes.

According to national statistics, 1,560 companies were listed as the most harmful for the environment, only 73 of which operated in chemical goods production and 36 in rubber and plastic goods production. Many more companies having a negative influence on the environment belonged to the groceries production sector (241), production of machinery and equipment (92), and production of basic metals (91).

The scale of the influence of the chemical industry on the natural environment can be assessed by such indicators as air pollution, water consumption, and volume of wastewater disposal. These indicators in the chemical goods production sector for 2006 are listed in the tables below.

Air pollution by type

	air pollution emission in thousand tonnes: dust	gas
overall industry	100.0	222,274.8
production of chemical goods	5.9	7,335.2

Source: GUS

Water consumption in chemical industry

	water revenue (hm³)				water expenditure		
	total	own water intake			total	of which production	
		total	surface	underground		total	of which from water pipe
industry overall	8,638.0	8,505.9	8,090.1	331.1	8,492.9	8,346.8	36.6
production of chemical goods	383.8	374.9	359.6	15.3	353.9	349.3	1.3

Source: GUS

Liquid industrial wastes

	Total carried off				Of which clearing required				
		Directly into water		Into municipal sewerage		Filtered			
	Total	Total	of which cooling waters		Total	Total	Mechanically	Chemically	Biologically infiltrated
Industry overall	8,509.2	8,408.8	7,594.4	100.4	814.4	762.4	517.1	106.6	126.1 45.3
Production of chemical goods	328.6	312.8	220.7	15.9	92.0	89.3	27.3	46.4	12.1 1.7

Source: GUS

14. Foreign trade

Export and import of chemical products both grew in 2007. Polish exports were 15% higher, and imports 17,8% higher, than in 2006. This was the result of an insufficient level of chemical production in the home market in comparison to demand.

The majority of Poland's chemical production was exported to European Union countries, which accounted for 69% of the total value of chemical exports in 2005. The EU predominates also in imports. Imports of chemical goods from EU countries in 2004 were 76.7% of the total value of imported chemical goods.

Export of chemical goods by type of recipient country (million PLN)

Year	Export overall	Developed Countries		Central & Eastern Europe*	Developing Countries
		Total	European Union		
2000	6,709.6	3,692.6	3,432.8	748.1	2,268.8
2001	7,069.8	3,731.2	3,455.6	661.8	2,676.8
2002	8,093.0	4,261.7	3,987.2	3,155.5	675.8
2003	10,457.7	8,053.1	7,661.0	1,586.7	817.9
2004	12,983.6	9,167.7	8,685.8	2,441.0	1,374.9
2005	13,852.6	9,639.0	9,123.1	2,648.2	1,565.4
2006	16,229.0	11,652.9	11,199.3	3,002.1	1,574.0

Source: GUS

* Albania, Belarus, Bulgaria, Croatia, Moldova, Russia, Romania and Ukraine

Import of chemical goods by type of recipient country (million PLN)

Year	Import overall	Developed Countries		Central & Eastern Europe*	Developing Countries
		Total	European Union		
2000	8,826.8	6,827.9	5,632.7	472.4	1,526.5
2001	8,658.5	6,447.5	5,506.5	625.0	1,586.0
2002	9,850.5	7,269.2	6,389.6	1,936.1	645.2
2003	11,475.6	10,269.9	9,217.4	497.2	708.5
2004	14,201.3	12,449.1	11,273.4	745.2	1,007.0
2005	14,654.0	12,789.7	11,519.5	822.3	1,042.0
2006	15,898.4	13,606.1	12,186.9	957.7	1,334.6

Source: GUS

** Albania, Belarus,, Bulgaria, Croatia, Moldova, Russia, Romania and Ukraine*

15. Accession to the EU and regulations relevant for the chemical sector

The most important EU regulations concerning the chemical sector include:

- Directive 96/61/EC on integrated prevention and pollution control (IPPC),
- Directive 85/337/ EEC on the assessment of the effects of certain public and private projects on the environment,
- Directive 97/11/EC amending Directive 85/337/EEC on the assessment of the effects of certain public and private projects on the environment.

16. Most important challenges facing the chemical industry

- More investment in technological processes,
- Reduction of foreign trade deficit,
- Closer cooperation with R&D centres,
- Privatization of the biggest chemical enterprises,
- Creation of good economic conditions for small and medium-sized companies operating in the chemical sector.

17. Production of principal goods supplied by Poland's largest chemical enterprises

Regardless of company size or number of employees, chemical goods production in 2006 was dominated by the production of rubber and plastic products. The second biggest production group was plastic products.

Production specialization	Companies (according to number of employees)			
	0-49	50-99	100-249	>249
Production of chemical products, incl:	455	109	111	75
Production of basic chemicals	35	36	17	25
Production of paints and varnishes	76	17	13	6
Production of pharmaceuticals	43	12	24	22
Production of detergents and cleaners, cosmetics and toiletries	235	28	42	15
Production of other chemical products	66	16	15	7
Production of rubber and plastic products, incl:	1,492	303	209	74
Production of rubber products	409	57	63	30
Production of plastics products	1,083	246	146	44

Source: GUS

18. "Great Chemical Synthesis" programme

The Great Chemical Synthesis programme is a contractual arrangement between businesses representing organics, inorganics, fertilizers, sulphur manufacturing, and the coke-chemical branch. It includes the largest and most important businesses of the chemical industry sector in Poland.

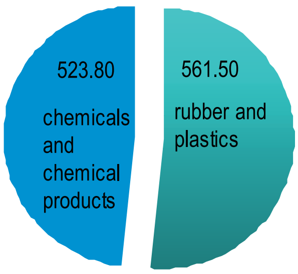
One of the main goals of the programme is restructuring and privatization of the Great Chemical Synthesis businesses by the year 2010. The tasks facing the enterprises which comprise the Great Chemical Synthesis programme include:

	Task	Activities
1.	Analysis and implementation of new structures	Market analysis, restructuring and privatization of companies
2.	Modernization of production installations	Implementation of new, productive technologies and optimizing attractive chemical goods production
3.	Organization of infrastructure parks	Modernization of factory energy blocks, preparing infrastructure for investors' requirements, access to low-cost technological media
4.	Employee-oriented policy	Creating new jobs, retraining redundant employees for new production process needs
5.	Commercial research-implementation centers	Implementation of innovative industrial solutions concerning production process Promotion of new technologies (energy-saving, material-saving, etc.) Innovative financing initiatives Training programmes for restructuring human resources

Source: Ministry of Economy

19. Foreign direct investment in chemical sector in Poland

FDI inflow in 2006 in Poland (PLN million)



Source: National Bank of Poland (NBP)

20. Largest foreign investors in chemical sector in Poland

	Investor	Country of registration	Country of origin	Activities (class)
1.	GlaxoSmithKline	United Kingdom	United Kingdom	Manufacture of pharmaceuticals, medicinal chemicals and botanical products
2.	Marga B.V	The Netherlands	The Netherlands	Manufacture of soap and detergents, cleaning and polishing preparations, perfumes and toiletry preparations
3.	IVAX Corporation	USA	USA	Manufacture of pharmaceuticals, medicinal chemicals and botanical products
4.	Pliva d.d.	Croatia	Croatia	Manufacture of pharmaceuticals, medicinal chemicals and botanical products
5.	British Oxygen Corporation (BOC Group)	United Kingdom	United Kingdom	Manufacture of basic chemicals
6.	Procter & Gamble Mexico Holding	The Netherlands	USA	Manufacture of soap and detergents, cleaning and polishing preparations, perfumes and toiletry preparations
7.	Basell Europe Holdings NV	The Netherlands	The Netherlands	Manufacture of basic chemicals
8.	Henkel CEE	Austria	Austria	Manufacture of soap and detergents, cleaning and polishing preparations, perfumes and toiletry preparations
9.	Linde AG	Germany	Germany	Manufacture of basic chemicals
10.	Petro Carbo Chem AG (PCC)	Germany	Germany	Manufacture of basic chemicals
11.	Air Liquide S.A.	France	France	Manufacture of basic chemicals
12.	3M Nederland B.V.	The Netherlands	The Netherlands	Manufacture of pharmaceuticals, medicinal chemicals and botanical products
13.	Beiersdorf AG	Germany	Germany	Manufacture of soap and detergents, cleaning and polishing preparations, perfumes and toiletry preparations
14.	Alcro - Beckers AB	Sweden	Sweden	Manufacture of paints, varnishes and similar coatings, printing ink and mastics
15.	Valeant Pharmaceuticals, Int	USA	USA	Manufacture of pharmaceuticals, medicinal chemicals and botanical products
16.	Praxair Inc.	USA	USA	Manufacture of basic chemicals
17.	Cussons Group Ltd.	United Kingdom	United Kingdom	Manufacture of soap and detergents, cleaning and polishing preparations, perfumes and toiletry preparations
18.	Lek d.d.	Slovenia	Slovenia	Manufacture of pharmaceuticals, medicinal chemicals and botanical products
19.	SCA Hygiene Products Holding GmbH	Germany	Germany	Manufacture of soap and detergents, cleaning and polishing preparations, perfumes and toiletry preparations
20.	L'Oreal SA	France	France	Manufacture of soap and detergents, cleaning and polishing preparations, perfumes and toiletry preparations

Source: PAIiIZ

21. Base chemicals industry and market

In 2006, comparing to 2001, the number of companies producing base chemicals fell by 3, however sold production in this segment rose from PLN 10,777 million to PLN 16,356 million, i.e. by 51,76%. The increase in the value of sold production was accompanied by a decrease in the number of employees.

Base chemicals production

Year	Number of companies	Sold production (PLN million)	Average employment (thousand)	Average monthly gross salary (PLN)
2001	76	10,777.6	33.6	2,612.74
2002	82	10,331.8	29.8	2,669.03
2003	74	12,907.5	27.7	2,813.14
2004	69	15,459.6	26.9	3,011.6 0
2005	69	15,538.2	25.7	3,117.83
2006	71	16,356.0	24.8	3,224.06

Source: GUS

22. Pharmaceutical industry and market

The number of enterprises producing pharmaceuticals has not changed since 2001. The largest companies in this sector in Poland in terms of the value of sold production include GSK Pharma RX, Polpharma S.A., Servier, Aventis, Novartis Pharma, Roche, LEK, KRKA, Sanofi-Synthelabo, Astrazeneca, Janssen Cilag, Adamed, Novo Nordisk and Pliva Kraków. The sold production of this sector rose by PLN 1,876.7 million from 2001 to 2006, during which time employment fell from 23,600 in 2001 to 22,116 in 2006.

Pharmaceutical production

Year	Number of companies	Sold production (in mln PLN)	Average employment (in thousand)	Average monthly gross salary (PLN)
2001	71	4,905.2	23.6	3,429.34
2002	72	5,546.9	22.9	3,737.68
2003	72	6,042.9	23.1	3,937 .02
2004	71	6,528.4	22.7	4,162.54
2005	71	6,655.1	22.5	4,281.76
2006	69	6,781,9	22.1	4,401.00

Source: GUS

23. Chemical consumer goods industry and market

50% of the Polish market for chemical consumer goods is taken by companies controlled by foreign capital. In 2006 the value of sold production in this sector was PLN 9,109.6 million. The sector is dominated by large cosmetics companies which include Avon Cosmetics, Dr Irena Eris, Oceanic Cosmetic, Ziaja, Dax Cosmetics and Kolastyna, whose brands and products are most popular with Polish consumers.

Chemical consumer goods production

Year	Number of companies	Sold production (in mln PLN)	Average employment (in thousand)	Average monthly gross salary (PLN)
2001	74	6,405.2	19.3	3,139.38
2002	74	7,393.8	19.7	3,313.14
2003	80	8,041.3	20.5	3,218.19
2004	77	8,904.8	19.8	3,309.39
2005	77	8,967.5	19.9	3,415.29
2006	78	9,109.6	20. 1	3,521.20

Source: GUS

24. Paints and varnishes industry and market

The largest paints and varnishes producers in the Polish market are Polifarb Cieszyn Wrocław, FFiL Śnieżka, Nobiles Włocławek, ICI Pilawa and TBD Dębica. Except for Śnieżka, all of these companies are controlled by foreign capital. Sold production in 2006 was PLN 2,021.8 million. Two-thirds of sold production was consumed by the construction market.

Production of paints and varnishes

Year	Number of companies	Sold production (PLN million)	Average employment (thousand)	Average monthly gross salary (PLN)
2001	23	1,486.9	4.9	3,223.23
2002	24	1,678.9	4.8	3,353.23
2003	23	1,808.7	4.7	3,427.81
2004	24	1,976.4	4.8	3,539.33
2005	24	1,999.1	4.7	3,602.58
2006	24	2,021.8	4.7	3,665.84

Source: GUS

25. Rubber goods industry and market

64 businesses operated in rubber goods production in 2006. The average monthly salary in this sector grew by nearly 5% in comparison with 2005. The value of sold production of chemical rubber goods increased by 89% in comparison with 2001.

Rubber goods production

Year	Number of companies	Sold production (PLN million)	Average employment (thousand)	Average monthly gross salary (PLN)
2001	59	3,588.9	19.1	2,437.71
2002	59	4,230.2	18.8	2,553.31
2003	58	5,474.4	20.0	2,608.46
2004	66	6,657.5	22.3	2,681.45
2005	66	6,734.8	22.0	2,764.58
2006	64	6,810.6	21.7	2,847.71

Source: GUS

26. Plant protection products and fertilizers industry and market

Due to subsidies that Polish farmers received after EU accession, the demand for fertilizers grew significantly. In 2006 the consumption of artificial fertilizers grew by 5,7% in comparison with 2005. In 2006 prices of mineral fertilizers grew by 15,5% compared to 2003.

The largest producers of mineral fertilizers include Zakłady Azotowe Puławy S.A., Zakłady Chemiczne Police S.A., Zakłady Azotowe Kędzierzyn S.A., and Zakłady Azotowe w Tarnowie-Mościcach. All of these companies participate in the Great Chemical Synthesis programme.

The main foreign markets for Polish artificial fertilizers include Germany, Denmark, Belgium, Brazil, the Czech Republic and the USA. Poland, on the other hand, imports artificial fertilizers from Belarus, Russia, Germany and Lithuania.

Production of plant protection products and fertilizers

Year	Number of companies	Sold production (PLN million)	Average employment (thousand)	Average monthly gross salary (PLN)
2001	4	N/A	1.4	2,786.29
2002	4	397.4	1.3	2,974.95
2003	4	472.6	1.2	3,043.41
2004	5	530.2	1.3	3,173.34
2005	5	537.9	1.4	3,271.71
2006	7	560.4	1,6	3,370.09

Source: GUS

27. Chemical fibres industry and market

Businesses in chemical fibres production are a minority among the overall number of companies in the chemical sector. The number of such companies has not changed over the last four years. The value of sold production in the chemical fibres sector has been growing steadily during the last three years, and in 2006 was PLN 1,225.4 million.

Production of chemical fibres

Year	Number of companies	Sold production (PLN million)	Average employment (thousand)	Average monthly gross salary (PLN)
2001	4	N/A	4.8	1,883.58
2002	5	1,080.2	4.4	1,933.28
2003	4	1,146.8	3.9	1,975.34
2004	4	1,197.9	3.4	1,920.13
2005	4	1,211.6	3,6	1,974.86
2006	4	1,225.4	3,5	2,029.58

Source: GUS

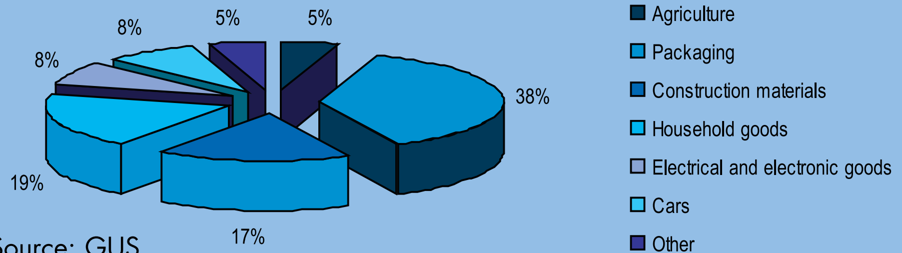
28. Plastic goods industry and market

- General characteristics of the plastic goods industry in Europe

About 10 million people are currently employed in the European plastics goods production market. The investments in EU countries in this sector are other EUR 10 billion annually. About 38% of demand for overall plastic goods production comes from the packaging industry. Second place is held by household chemical goods, and third place by the construction materials market.

Germany is the largest producer of plastic goods with employment of 300,000 people. The second-largest producer is France, and the United Kingdom is third. The usage of plastics goods in Europe is shown on the following graph.

Profile of plastic goods usage in Europe



Source: GUS

• Polish plastics industry

The value of sold production of plastics goods in Poland in 2006 was PLN 16,395.1 million, which is twice as high as in 2001. An upward trend in employment was reported in this sector, with average employment growing from 48,700 people in 2001 to 60,560 in 2006.

• Main manufacturers of plastic goods on the Polish market

• Prospects for development of Polish plastic goods production

It is expected that the demand for plastic goods will grow in the following years, especially thanks to new export opportunities. Nevertheless, Polish plastic goods producers have to increase their investments in technology and cooperate more closely with R&D centres. The most important task, however, is to invest in environmental protection and recycling. The biggest growth opportunities in this sector are associated with further development of markets for isolative materials, pipe systems, windows and others plastics products for construction.

29. Prospects for the Polish chemical industry

The chemical industry sector will face sustained development in the next years. The greatest opportunities for the sector are associated with packaging production, pharmaceuticals and plastic materials for construction. The sector requires continuous investments in technology and research, however. Poland as a member state of the European Union is in the course of implementing the EU directives for environmental protection, which may increase production costs at some point.

Production of plastic goods

Year	Number of companies	Sold production (PLN million)	Average employment (thousand)	Average monthly gross salary (PLN)
2001	407	8907.1	48.7	1,951.62
2002	425	10,457.3	51.1	2,019.4
2003	443	13,148.8	55.3	2,073.28
2004	463	15,511.0	59.2	2,144.89
2005	471	15,953.7	59.9	2,213.37
2006	482	16,395.1	60.6	2,282.16

Source: GUS

Main manufacturers of plastic goods on the Polish market

Company	City of registration
Wavin Buk Sp. z o.o.	Buk, near Poznań
Aluplast Sp. z o.o.	Poznań
Veka-Polska Sp. z o.o.	Skierniewice
Rehau Sp. z o.o.	Przeźmierowo, near Poznań
Metalplast Oborniki Sp. z o.o.	Oborniki
PPHT Barbara Kaczmarek	Gostyń
Sanplast Sp. z o.o.	Strzelno
Zakłady Tworzyw Sztucznych Gamrat S.A.	Jasło
Mabo Piplife S.A.	Karlikowo
Zakłady Tworzyw Sztucznych ERG - BIERUN S.A.	Bieruń
Termo Organika Sp. z o.o.	Cracow
GK Styropol Sp. z o.o.	Biskupiec

Main investors

Rec. num	Investor	Country of registration	Country of origin	Activities (class)
1.	Campagnie Financiere Michelin	Switzerland	France	Manufacture of rubber products
2.	Bridgestone Corporation	Japan	Japan	Manufacture of rubber products
3.	Goodyear Luxembourg S.A.	Luxembourg	USA	Manufacture of rubber products
4.	Alstom Holdings	France	France	Manufacture of plastic products
5.	Huhtamaki Van Leer	Finland	Finland	Manufacture of plastic products
6.	Veka AG	Germany	Germany	Manufacture of plastic products
7.	Nordisk Wavin A/S	Denmark	The Netherlands	Manufacture of plastic products
8.	M. J. Maillis	Greece	Greece	Manufacture of plastic products
9.	Hutchinson S.A.	France	France	Manufacture of rubber products
10.	Frankische Plastiks GmbH	Germany	Germany	Manufacture of plastic products
11.	The Gates Corporation Denver	USA	USA	Manufacture of rubber products
12.	Uponor Group	Germany	Germany/Finland	Manufacture of plastic products
13.	Plastal Group AB	Sweden	Sweden	Manufacture of plastic products
14.	Onduline S.A.	France	France	Manufacture of plastic products
15.	Plastiques Du Val de Loire	France	France	Manufacture of rubber and plastic products

Source: PAIiIZ

Invest in Poland

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