CENTRE FOR REGIONAL AND LOCAL ANALYSES

REGIONAL INVESTMENT ATTRACTIVENESS 2012

Kuyavian-Pomeranian voivodship

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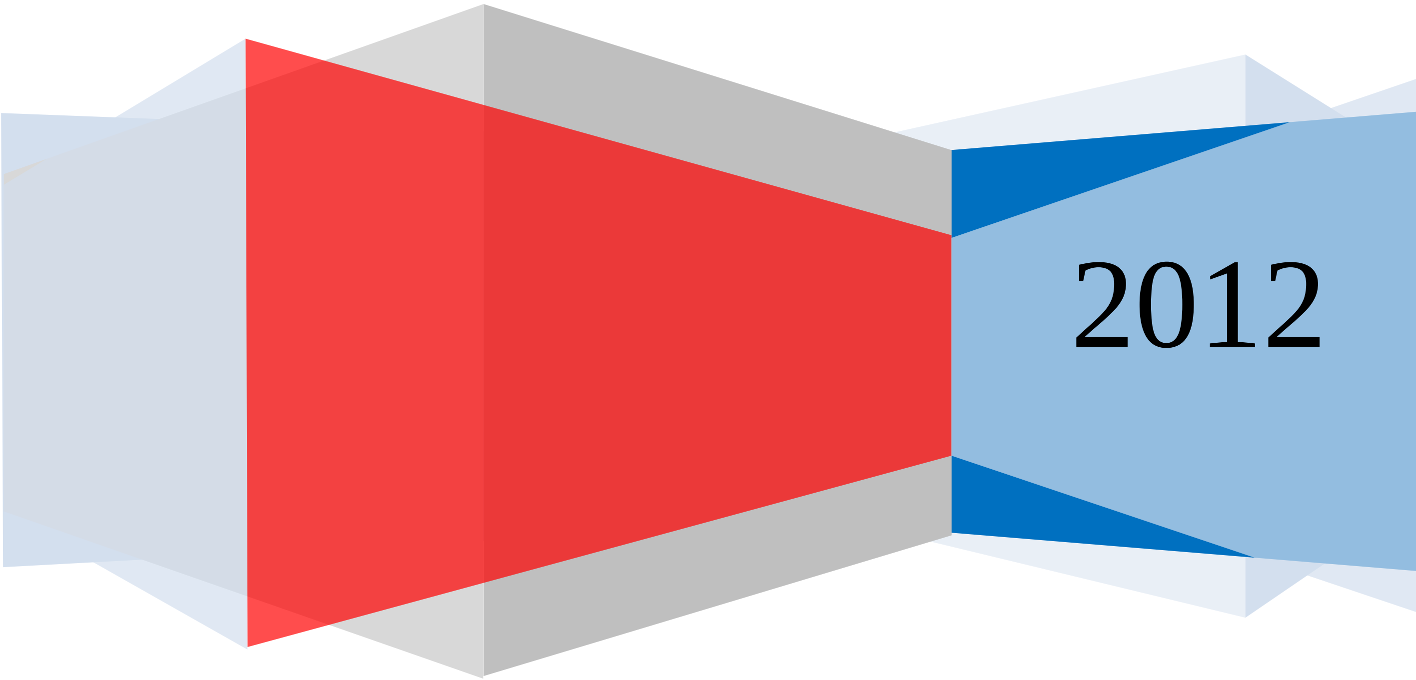


Warsaw, October 2012

Introduction

This report has been prepared thanks to the application of results of scientific research conducted since 2002 by the Institute of Enterprise, Collegium of Business Administration of the Warsaw School of Economics, under the supervision of Prof. H. Godlewska-Majkowska, Ph.D. All Authors are core members of the team that develops the methodology of calculating regional investment attractiveness in order that important characteristics of regions are captured as closely as possible both in general terms and from a point of view of specificity of a given kind of business activity as well as a size of investment.

Potential investment attractiveness (PAI) indices measure the location-specific advantages of regions. In their simplified version they are calculated for territorial units of various levels of statistical division of the country (gminas/communes, poviats/counties, subregions, voivodships/regions). These are PAI1 indices, which refer to the whole regional/national economy (PAI1_GN) and selected sections: C – manufacturing industry, G – trade and repair, I – tourism and catering, M – professional, scientific and technical services.

Besides, some indices are only calculated for voidoships on the basis of much more characteristics available on the regional or macroregional level. This allows us to evaluate their investment attractiveness in a much broader context. These are PAI2 indices, which are calculated both from a general point of view and with reference to the above mentioned sections of the economy (PAI2_C, PAI2_G, PAI2_I, PAI2_M).

What is more, real investment attractiveness ranks are used in this report, which relates to the inflow of capital (in the form of investments) and the effects of investments considered from a point of view of productivity and returns on the outlays previously made.

The measurements in use are subject to annual review thanks to consulting them with foreign investor assistance institutions and direct contact to territorial self-government units as well as organisations of entrepreneurs. A description of methodological approach to measuring investment attractiveness of Polish regions, counties and communes can be found online on the Web site of the Institute of Enterprise : www.sgh.waw.pl/instytuty/ip, on the Web site of the Centre for Regional and Local Analyses, which cooperates with the Institute of Enterprise: www.caril.edu.pl, as well as in numerous scientific publications and expert opinions.

1. The profile of regional economy of Kuyavian-Pomeranian (*kujawsko-pomorskie*) voivodship

Kuyavian-Pomeranian (*kujawsko-pomorskie*) voivodship is situated in the central part of the country. It is renowned for its very well-developed agriculture which has become a foundation of the development of investments in the food industry. Moreover, for industrial traditions and the adjustment of the education system of the region to its needs the region is an attractive site for industrial investments.

The advantages of the voivodship are:

- its central location in Poland, where important traffic routes intersect, including lines belonging to the trans-European transport network TEN-T, which facilitates the access to Polish markets and suppliers, both from Poland and from abroad,
- a good access to social infrastructure including in particular medical units, sanatoria and health resorts,
- good research and development centres[1],
- cultural richness (numerous monuments among which the Old Town complex of Toruń deserves a note as a UNESCO World Heritage site**)** and natural conditions (the Kuyavian Lake District and its brines) set the foundations for the development of tourist and health services,
- highly developed agriculture, both animal and plant production, both being the foundations of the development of food industry,
- industrial traditions especially in chemical industry, the manufacture means of transport and electronics, which is a factor facilitating the search for contractors as well as higher and vocational education institutions graduates specialising in the fields necessary for the investors in the industry,
- favourable conditions for the development of renewable energy industry,
- the presence of centres supporting the transfer of innovative solutions from the research sector to the industry, e.g. The Centre of Technology Transfer in Toruń.

[1] In 2010 the Ministry of Science and Higher Education ranked among the best scientific establishments in Poland the following ones: the Faculty of Chemistry and the Faculty of Philology of the Copernicus University of Toruń and the Faculty of Mechanical Engineering of the Jan and Jędrzej Śniadeckis University of Technologies and Life Sciences in Bydgoszcz.

Chart 1. General characteristics of the economy of Kuyavian-Pomeranian voivodship

Feature	Kuyavian-Pomeranian voivodship	Poland	Share [%]
Market Potential			
GDP per capita (PLN/person) in 2009	29,834	35,210	-
Population (persons)	2,098,370	38,538,447	5.4
Human Resources Potential			
Higher education institutions graduates (persons) in 2011	231,47	492,646	4.7
Secondary schools graduates (persons) in 2011	233,94	421,724	5.5
Number of employed persons on 31 December 2011	683,549	13,911,203	4.9%
Structure of employed persons in 2011	agriculture 14.4% industry 31.5% services 54.1%	agriculture 12.7% industry 30.6% services 56.7%	
Investment outlays and capital of companies with foreign capital participation in the voivodship			
Investment outlays (PLN mln) in 2010	1,077.7	61,600.3	1.7
Capital of companies (PLN mln) in 2010	3,011.4	18,8812.4	1.6
Special economic zones (SEZs) in the voivodship			
- The Pomeranian SEZ, subzones: Barcin, Kowalewo Pomorskie, Łysomice, Świecie, the city of Bydgoszcz, the city of Grudziadz, the city of Rypin, the city of Toruń, Wabrzeźno			
Investment attractiveness			
Potential investment attractiveness (location-specific advantages evaluation)	Trade class C		
Real investment attractiveness (economic effects evaluation)	Trade class C Tourism class C		
Poviats and gminas distinguished according to the Potential Attractiveness Index for the national economy			
Poviats	Class A	City: Bydgoszcz, Toruń, Grudziadz, Włocławek	
	Class B		
Gminas**	Class A	Toruń (1), Inowrocław (1), Grudziądz (1), Bydgoszcz (1), Chełmża (1), Włocławek (1), Wąbrzeźno (1), Ciechocinek (1), Osielsko (2), Golub-Dobrzyń (1), Brodnica (1), Chełmno (1), Janikowo (3), Rypin (1), Solec Kujawski (3), Świecie (3)	
	Class B	Barcin (3), Aleksandrów Kujawski (1), Wielka Nieszawka (2), Radziejów (1), Białe Błota (2), Tuchola (3), Kowal (1), Lipno (1)	

In 2009 Kuyavian-Pomeranian voivodship made a contribution of 4.6% to the GDP of Poland. Calculated per capita, it amounted to PLN 39,834 with the average for Poland PLN 35,210. With this result the voivodship occupies the tenth place in the country. The GDP growth rate in the period 2003-2009 amounted to 150.8% while the national average reached 168.5%.

In comparison with the whole country the structure of employment in the voivodship is characterised by a relatively high share of the service sector (54.1%) whereas a share of the agricultural and industrial sectors is respectively 14.4% and 31.5% (CSO, RDB 2012).

The number of inhabitants of the voivodship amounts to 2,098,370 (as of 2011), which makes up 5.4% of the population of Poland. The age structure of Kuyavian-Pomeranian voivodship in 2010 was as follows: 15.6% of the population at pre-reproductive age, 68.4% at reproductive age and 16.0% at post-reproductive age (for Poland, respectively, 15.1%, 68.1% and 16.8%). The registered unemployment rate in the voivodship in August 2012 was 16.6%, compared to 12.4% in Poland[2]. The average gross monthly remuneration in enterprises sector in the first six months of 2012 amounted to PLN 3,080.3, which is 83.6% of average remuneration in Poland.

The main potential for human capital creation in the voivodship is constituted by 21 higher education institutions in which 81.9 thousand students study, which makes up 4.7% of all students Poland-wide. Moreover 6.0 % of pupils of secondary schools attend technikum schools and 7.5% vocational schools.

The voivodship's strategic sectors mentioned in the strategy of regional development include above all: e-business, IT and telecommunications as well as the following braches: biotech industry, the manufacture of machinery and electronics, the manufacture of furniture, printing, the manufacture of food, the manufacture of chemical products, electrotechnical and electromechanical industry.

Preferential conditions of conducting business activities are offered in this voivodship i.a. by the following special economic zone (in Polish: Specjalne Strefy Ekonomiczne, hence abbreviation SSE):

- Pomorska SSE (Pomerian special economic zone), subzones: Barcin, Kowalewo Pomorskie, Łysomice, Świecie, the city of Bydgoszcz, the city of Grudziadz, the city of Rypin, the city of Toruń, the city of Wabrzeźno.

2. Region’s rank in terms of investment attractiveness in Poland

Kuyavian-Pomeranian voivodship is characterised by a low level of universal investment attractiveness, which manifests itself in its rank (Class E) according to the main potential investment attractiveness index for the whole national economy PAI 2_GN (see Exhibit 1 in the Appendix). It ranks slightly higher in terms of labour-intensive industry

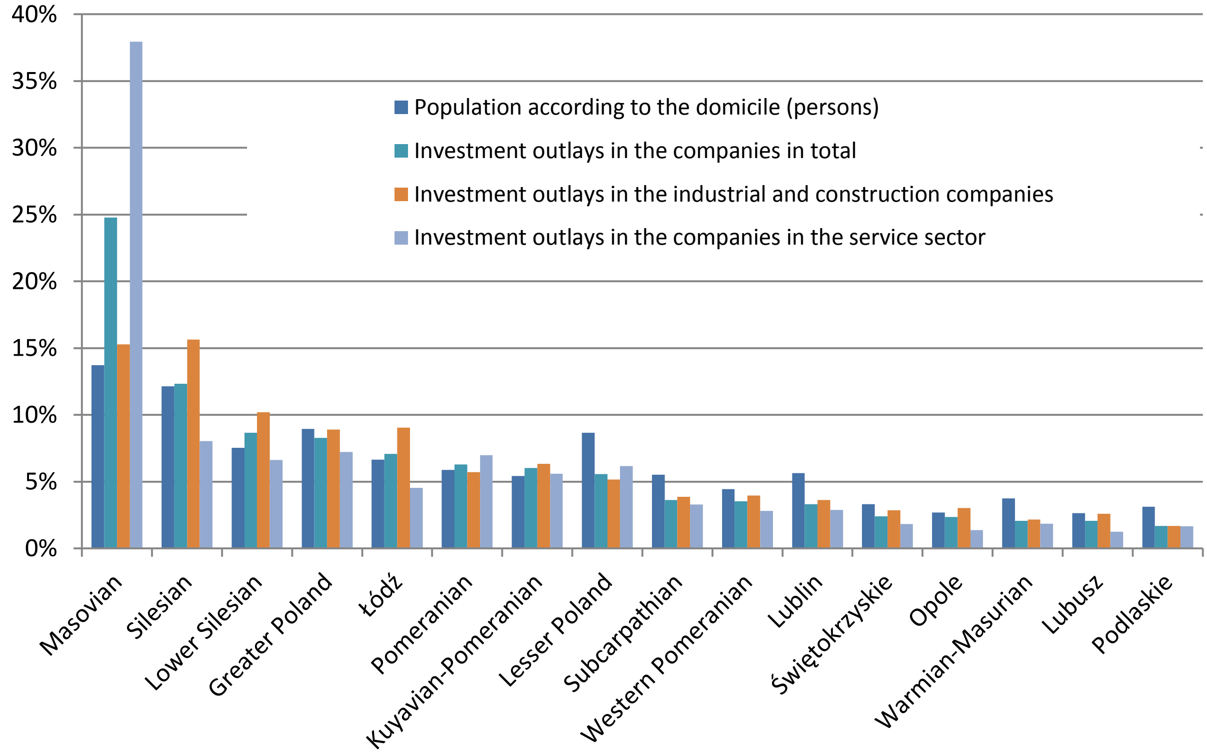
[2] The unemployment rate in voivodships, subregions and poviats in August 2012 is based on the data of Central Statistical Office.

(Class D) .[3] Its above-the-average investment attractiveness for trade and repair (Class C) should be linked to its beneficial geoExhibitic location.

Investment attractiveness can also be determined on the basis of indices of real investment attractiveness (RAI), based on such microclimates as: returns on tangible assets, labour productivity, self-financing of self-government territorial units and investment outlays. This region is a leader in terms of effects of investments in the food industry (Class C) and trade and repair (Class C).

Potential and real investment attractiveness in reflected in the decisions of investors on business location. This is shown in Exhibit 1.

Exhibit 1. Regional structure of investment outlays in the companies in 2010 in comparison with the share in the population (percentage of country's population)



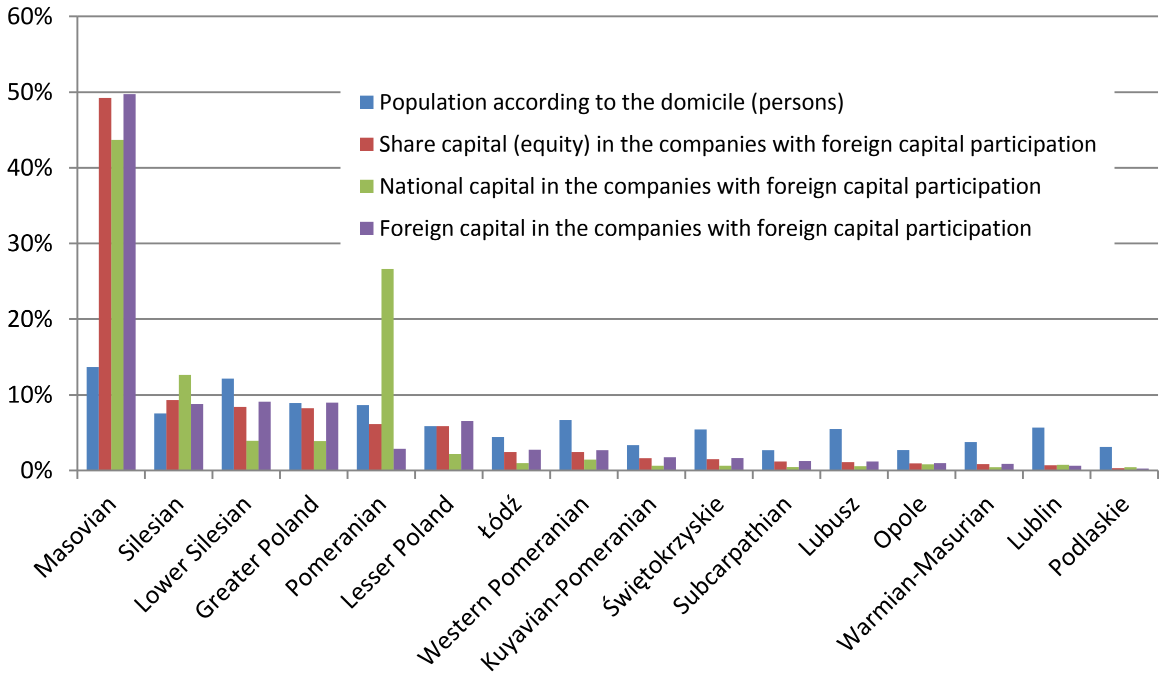
Note: these are the most up-to-date data.
Source: Authors on the basis of the Local Data Bank (downloaded 23.10.2012)

In 2009 Kuyavian-Pomeranian voivodship took the seventh place in Poland in terms of investment outlays made by the companies. Its share in the national investment outlays is slightly lower than its share in the country's population could suggest, which means this region is a sought-after business location for investors representing the food industry and service sector (chiefly tourism, catering and transport) as well as agriculture. This means the investors prize regional market potential.

[3] Section C –manufacturing industry, section G – trade and repair, section I – hotels and restaurants, section M-professional, scientific and technical activities. A description of methodological approach to measuring investment attractiveness of Poland's regions, poviats and gminas can be found on the Web site: http: //www.investmazovia.com/metodyka.html

This applies mainly to Polish companies. An analysis of the value of accumulated capital in the companies with foreign capital participation leads to such a conclusion – see Exhibit 2.

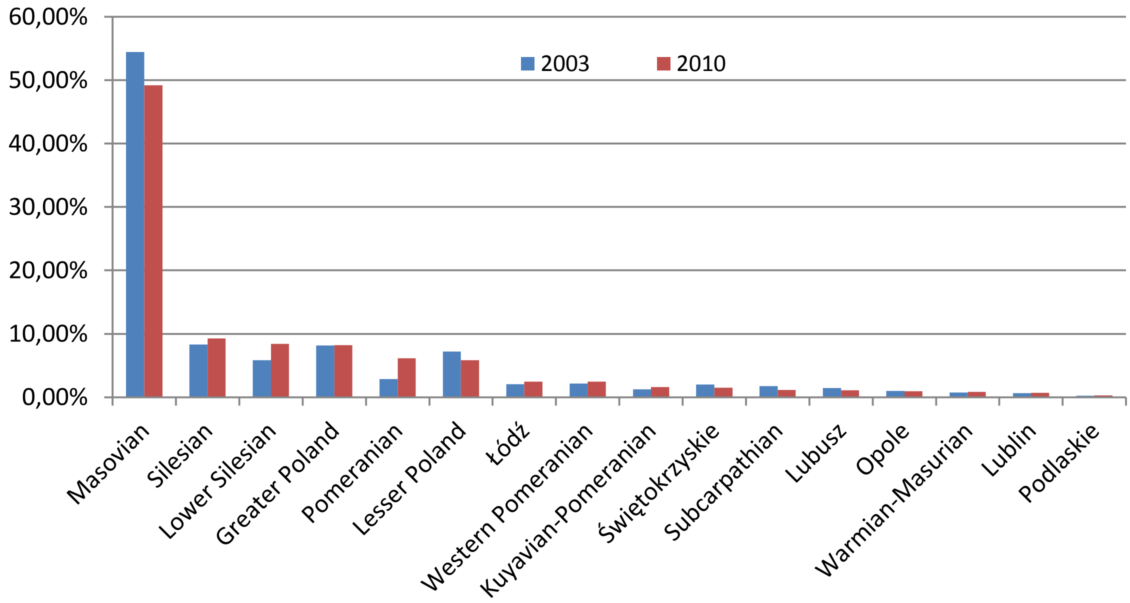
Exhibit 2. Regional structure of capital in the companies with foreign capital participation in comparison with a share in population (% national population)



Note: these are the most up-to-date data.
Source: Authors on the basis of the Local Data Bank (downloaded 23.10.2012)

In 2010 Kuyavian-Pomeranian voivodship received only 1% of share capital of the companies with foreign capital participation, most of which was foreign capital. This is scarce given a five-per cent share in the Poland's population. A region's share in a number of employees of the companies with foreign capital participation is slightly higher (2%). This means those investments are based on labour and labour-intensive technologies. Still, it should be highlighted that the voivodship improved its competitive rank in terms of foreign direct investments thanks to an increase from 1% to 2% of the value of share capital of entities with foreign capital participation, which was accompanied by an increase in a number of employees the companies with foreign capital participation from 31,180 to 38,195 persons, i.e. by 22% - see Exhibit 3.

Exhibit 3. Regional competitive rank in terms of investments with foreign capital participation according to the value of share capital of the companies with foreign capital participation in 2003 and 2010 (percentage of national representation)



Source: Authors on the basis of the Local Data Bank (downloaded 23.10.2012)

This means that the restructuring of the industry begins to produce desirable effects and real investment attractiveness of the region and its territorial units begins to be appreciated by foreign investors.

3. Internal diversification of regional investment attractiveness

Poviats (counties)

The following poviats are considered most attractive in Kuyavian - Pomeranian voivodship: the city of Bydgoszcz, the city of Toruń, the city of Grudziadz, the city of Włocławek - see Chart 2.

Chart 2. Potential investment attractiveness of poviats of Kuyavian - Pomeranian voivodship for the national economy and selected sections

Poviat	PAI1_GN	PAI1_GN	PAI1_C	PAI1_G	PAI1_I	PAI1_M
The city of Toruń	0,367	A	A	A	A	A
The city of Grudziadz	0,341	A	A	A	C	A
The city of Bydgoszcz	0,329	A	A	A	C	A
The city of Włocławek	0,323	A	A	A	B	A
inowrocławski	0,267	C	C	D	D	D
bydgoski	0,263	C	C	D	C	D

Source: Authors' own materials.

The following poviat should be distinguished: the city of Toruń as unit which attained Class A in their potential investment attractiveness for all sections of the national economy under scrutiny in this research.

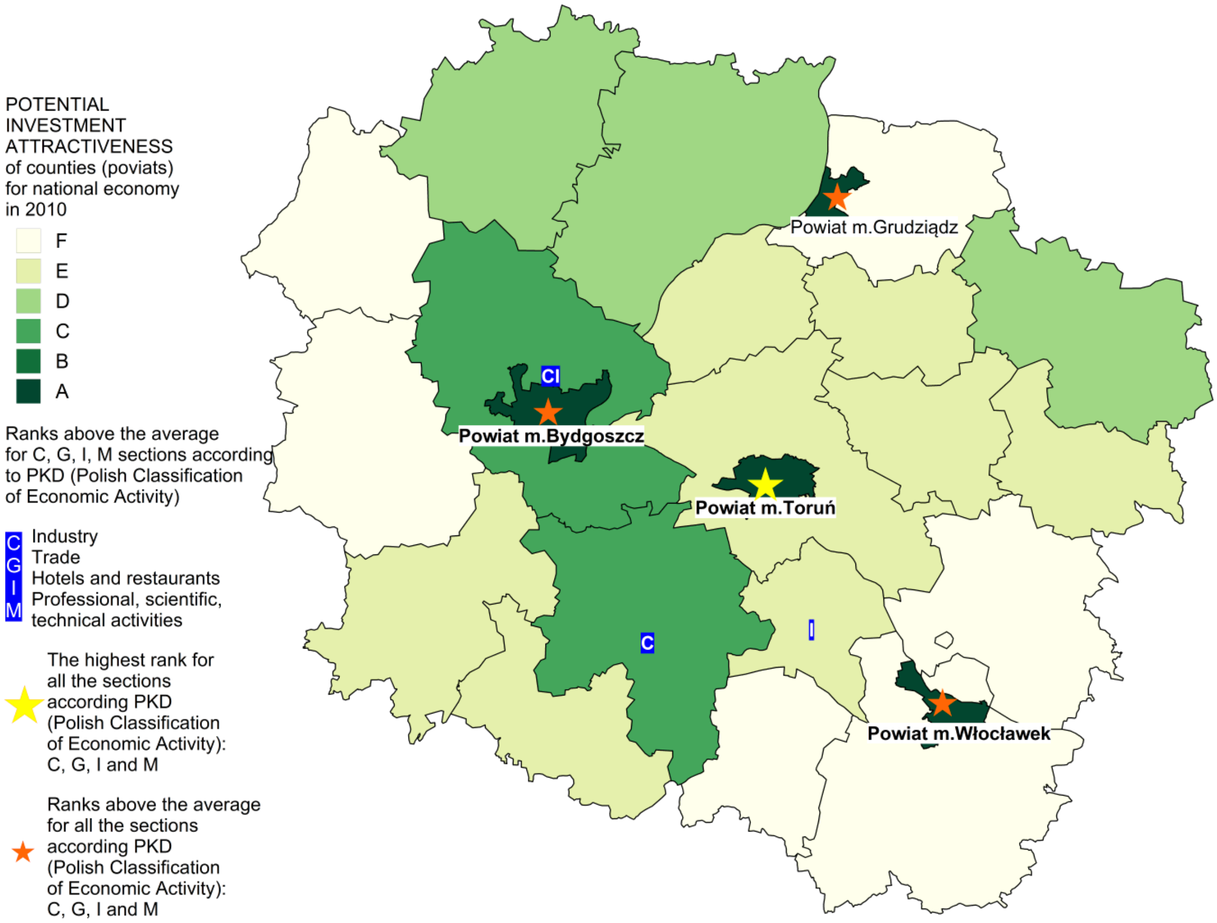
In reference to the sections mentioned below the following poviats should be additionally distinguished:

- Aleksandrowski (Class C) for section I,

- Bydgoski, inowrocławski (Class C) for section M,

Synthetic evaluation of potential investment attractiveness of poviats of Kuyavian – Pomeranian voivodship is presented in Exhibit 4.

Exhibit 4. Spatial diversification of potential investment attractiveness of poviats of Kuyavian – Pomaranian voivodship with consideration of the most attractive sections



Source: Authors' own materials.

Gminas (communes)

Like poviats, gminas are also very much diversified in terms of investment attractiveness. The highest ranked gminas are: Toruń (1), Inowrocław (1), Grudziądz (1), Bydgoszcz (1), Chełmża (1), Włocławek (1), Wąbrzeźno (1), Ciechocinek (1), Osielsko (2), Golub-Dobrzyń (1), Brodnica (1), Chełmno (1), Janikowo (3), Rypin (1), Solec Kujawski (3), Świecie (3). It is also reflected in their high ranks (Class A or B) for all analysed sections – see Chart 3.

Chart 3. Potential investment attractiveness of gminas of Kuyavian - Pomeranian voivodship for the national economy and selected sections

Gmina	PAI1_GN	PAI1_GN	PAI1_C	PAI1_G	PAI1_I	PAI1_M
Polkowice (3)	0,303	A	A	A	A	A
Wrocław (1)	0,294	A	A	A	A	A
Bolesławiec (1)	0,288	A	A	A	A	A
Lubin (1)	0,288	A	A	A	A	A
Karpacz (1)	0,284	A	A	A	A	A
Chojnów (1)	0,282	A	A	A	C	A
Świdnica (1)	0,278	A	A	A	B	A
Głogów (1)	0,275	A	A	A	B	A
Zgorzelec (1)	0,274	A	A	A	A	A
Siechnice (3)	0,274	A	A	A	A	A
Złotoryja (1)	0,271	A	A	A	A	A
Brzeg Dolny (3)	0,269	A	A	A	A	A
Oleśnica (1)	0,267	A	A	A	A	A
Kobierzyce (2)	0,266	A	A	A	A	A
Legnica (1)	0,265	A	A	A	A	A
Lubań (1)	0,264	A	A	A	A	A
Jawor (1)	0,263	A	A	A	B	A
Jelenia Góra (1)	0,261	A	A	A	A	A
Oława (1)	0,256	A	A	A	A	A
Polanica-Zdrój (1)	0,253	A	A	A	A	A
Kłodzko (1)	0,252	A	A	A	B	A
Szczawno-Zdrój (1)	0,252	A	A	A	A	A
Kamienna Góra (1)	0,249	A	A	A	B	A
Dzierżoniów (1)	0,249	A	A	A	A	A
Świebodzice (1)	0,245	A	A	A	B	A
Lubin (2)	0,243	A	A	A	A	A
Jerzmanowa (2)	0,242	A	A	A	A	A
Katy Wrocławskie (3)	0,241	A	A	A	A	A
Wałbrzych (1)	0,241	A	A	A	B	A
Kowary (1)	0,240	A	A	A	B	A
Kudowa-Zdrój (1)	0,240	A	A	A	A	B
Bogatynia (3)	0,239	A	A	A	A	B
Bielawa (1)	0,239	A	A	A	B	A
Rudna (2)	0,239	A	A	A	C	A
Radków (3)	0,238	A	A	A	A	B
Świeradów-Zdrój (1)	0,238	A	A	A	A	B
Nowa Ruda (1)	0,237	A	A	B	C	A
Szczytna (3)	0,235	A	A	B	A	B
Boguszów-Gorce (1)	0,235	A	A	A	B	B
Strzegom (3)	0,234	A	A	A	A	B
Zawidów (1)	0,233	A	A	A	C	B
Grębocice (2)	0,232	A	A	A	B	B
Piława Górna (1)	0,232	A	A	A	D	B

Stronie Ślaskie (3)	0,229	A	A	C	B	A
Warta Bolesławiecka (2)	0,228	A	A	A	B	B
Strzelin (3)	0,228	A	A	A	A	B
Piechowice (1)	0,227	A	A	A	A	A
Oborniki Ślaskie (3)	0,226	A	A	A	A	A
Syców (3)	0,225	A	A	A	A	B
Prochowice (3)	0,225	A	A	A	B	B
Duszniki-Zdrój (1)	0,224	A	B	A	A	A
Długołęka (2)	0,224	A	A	A	A	B

(1) – urban commune, (2) – rural commune, (3) – rural-urban commune

Source: Authors' own material.

Attractive are also such gminas which belong to Class B according to the PAI1_GN index as: Barcin (3), Aleksandrów Kujawski (1), Wielka Nieszawka (2), Radziejów (1), Białe Błota (2), Tuchola (3), Kowal (1), Lipno (1). The location-specific advantages are also universal in these gminas, which makes them attractiveness for all kinds of business activity in question.

In reference to the sections mentioned below the following gminas of Class C should be distinguished:

- Lubicz (2), Łysomice (2), Górzno (3), Łasin (3), Sępólno Krajeńskie (3), Nowe (3), Nieszawa (1), Gniewkowo (3), Kruszwica (3), Pakość (3), Rojewo (2), Mogilno (3), Nakło nad Notecia (3), Brześć Kujawski (3), Fabianki (2), Żnin (3) – for section C,

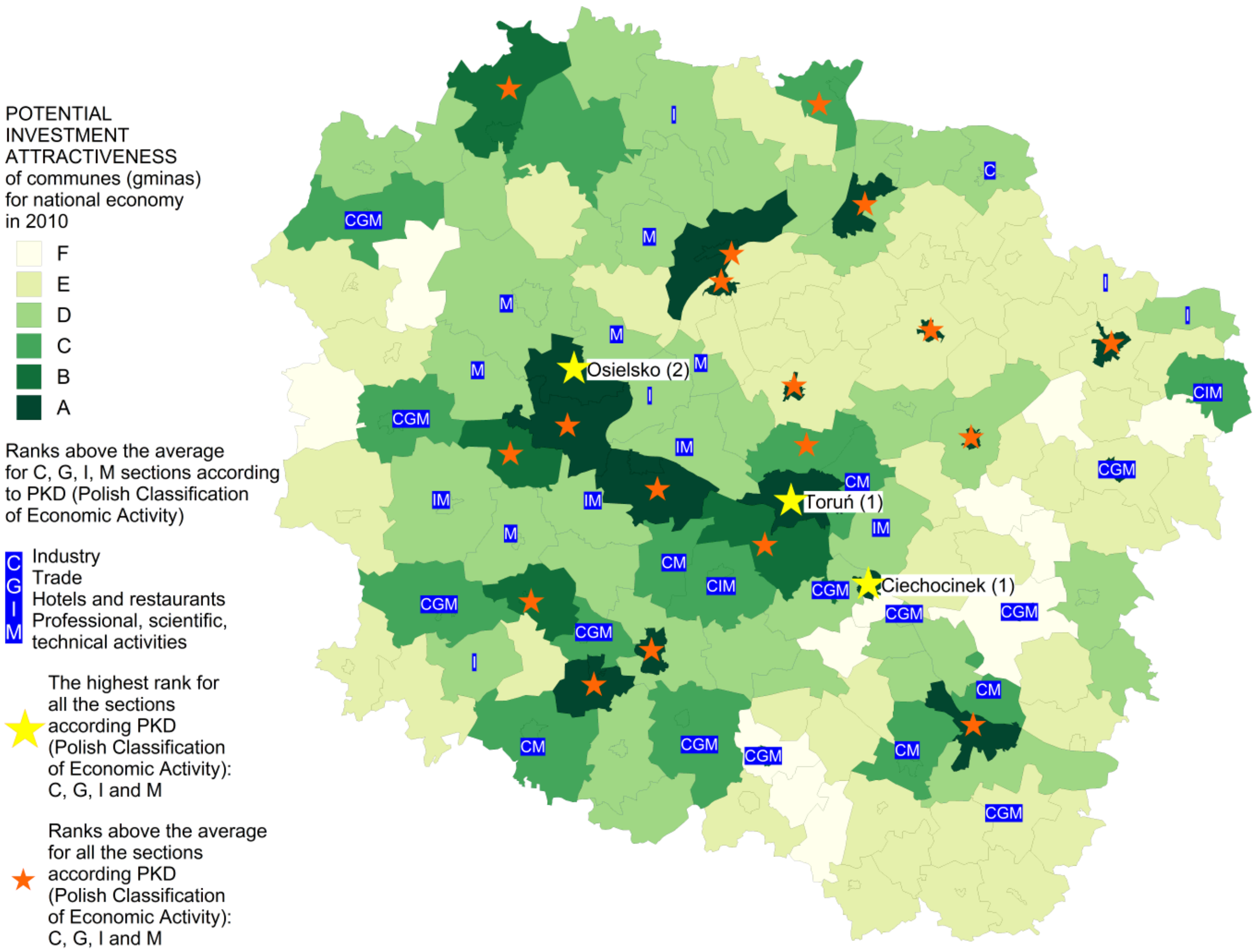
- Białe Błota (2), Łysomice (2), Wielka Nieszawka (2), Sępólno Krajeńskie (3), Nowe (3), Nieszawa (1), Kruszwica (3), Pakość (3), Lipno (1), Nakło nad Notecia (3), Radziejów (1), Żnin (3) - for section G,

- Nowa Wieś Wielka (2), Obrowo (2), Zławieś Wielka (2), Brodnica (1), Górzno (3), Zbiczno (2), Chełmno (1), Nowe (3), Osie (2), Tuchola (3), Grudziadz (1), Janikowo (3), Szubin (3), Barcin (3), Gasawa (2) - dla sekcji I,

- Dobrcz (2), Koronowo (3), Nowa Wieś Wielka (2), Sicienko (2), Lubicz (2), Łysomice (2), Obrowo (2), Wielka Nieszawka (2), Zławieś Wielka (2), Górzno (3), Unisław (2), Sępólno Krajeńskie (3), Bukowiec (2), Nowe (3), Nieszawa (1), Gniewkowo (3), Kruszwica (3), Pakość (3), Rojewo (2), Mogilno (3), Szubin (3), Brześć Kujawski (3), Fabianki (2), Łabiszyn (3), Żnin (3) – for section M.

Synthetic evaluation of potential investment attractiveness of gminas of Kuyavian – Pomeranian voivodship is presented in Exhibit 5.

Exhibit 5. Potential investment attractiveness of gminas of Kuyavian - Pomeranian voivodship



Source: Authors' own materials.

4. Voivodship's institutional support for investors and entrepreneurs

The development of business surrounding in a region is a vital component of its investment attractiveness. The institutions that support entrepreneurship, pro-investment solutions, research commercialization and innovativeness are of special importance. Among the voivodeship's business-supporting institutions one should mention: Toruński Park Technologiczny, Bydgoski Park Przemysłowo-Technologiczny, Regionalne Centrum Innowacyjności affiliated to University of Technology and Life Sciences in Bydgoszcz, Izba Przemysłowo-Handlowa Województwa Kujawsko-Pomorskiego (chamber of commerce and industry) in Bydgoszcz, Izba Przemysłowo-Handlowa chamber of commerce and industry) in Toruń, Izba Gospodarcza in Grudziadz, Bydgoski Dom Technika NOT Sp. z o.o., Toruński Klub Technika NOT Sp. z o.o., Rada Toruńskiej Federacji Stowarzyszeń Naukowo-Technicznych NOT, Ośrodek Innowacji NOT in Grudziadz, Ośrodek Innowacji NOT in Inowrocław, Ośrodek Wspierania Przedsiębiorczości and Fundusz Rozwoju Przedsiębiorczości PTE Branch in Bydgoszcz, Toruńska Agencja Rozwoju Regionalnego S.A., Kujawsko-Pomorskie Zrzeszenie Handlu i Usług in Bydgoszcz, Kujawsko-Pomorska Izba Rolnicza in Przysiek, Polska Izba Gospodarcza Maszyn i Urządzeń Rolniczych in Toruń, Pomorsko-Kujawska Izba Budownictwa in Bydgoszcz, Kujawsko-Pomorska Izba Rzemiosła i Przedsiębiorczości in Bydgoszcz, Kujawsko-Pomorski Związek Pracodawców i Przedsiębiorców in Bydgoszcz, Kujawsko-Pomorska Organizacja Pracodawców Lewiatan in Toruń, Bydgoski Klaster Przemysłowy (coordinator: Kujawsko-Pomorski Związek Pracodawców i Przedsiębiorców), Klaster Budownictwo Polska Centralna (coordinator: Centrum Innowacji NOT in Warsaw), Polska Sieć Aniołów Biznesu PolBAN in Bydgoszcz, Business Centre Club Loża Bydgoska (in Bydgoszcz), Business Centre Club Loża Toruńska (in Toruń), Akademicki Inkubator Przedsiębiorczości (business incubator) Uniwersytetu Mikołaja Kopernika in Toruń, Akademicki Inkubator Przedsiębiorczości at the Wyższa Szkoła Gospodarki in Bydgoszcz, Akademicki Inkubator Przedsiębiorczości at University of Technology and Life Sciences in Bydgoszcz, Akademicki Inkubator Przedsiębiorczości at the Włocławski Inkubator Innowacji i Przedsiębiorczości in Włocławek, Akademicki Inkubator Przedsiębiorczości at Wyższa Szkoła Bankowa in Toruń with its faculty of business and finance in Bydgoszcz, Akademicki Inkubator Przedsiębiorczości at the Casimir the Great University in Bydgoszcz, Inkubator Przedsiębiorczości at the Regionalne Centrum Przedsiębiorczości Sp. z o.o. in Solec Kujawski, Inkubator Przedsiębiorczości in Świecie, Włocławski Inkubator Innowacji i Przedsiębiorczości, Park Przemysłowy in Solec Kujawski, Grudziądzki Park Przemysłowy.

Toruński Park Technologiczny (Toruń Technology Park) offers consulting, IT services, office space renting, production space, conference rooms, training and seminar rooms as well as IT workspace. Entrepreneurs have access to a virtual office, which helps to promote company's credibility thanks to a prestigious localisation as well as minimises operating costs. The Park offers a Centre for the Transfer of Technology, which offers access to an online innovation database and a staff of experts specialising in technology consulting. The Centre cooperates with the EEN (an information-consulting network of European Commission), which provides practical advice on EU-related matters. The website of ENN contains a database of technology cooperation offers for S&M Enterprises interested in establishing contacts with external entities. (www.technopark.org.pl/, 27.09.2012.).

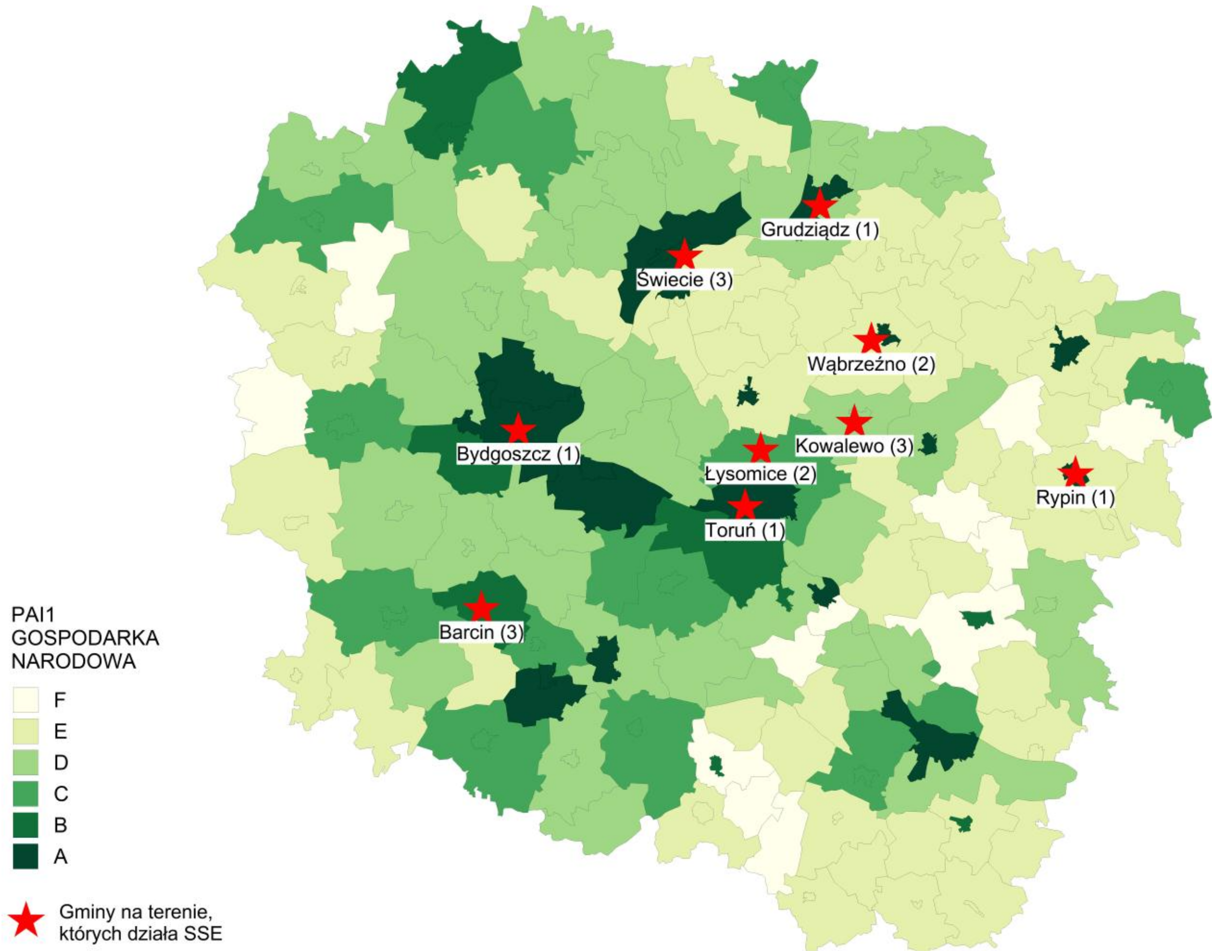
Regionalne Centrum Innowacyjności przy Uniwersytecie Technologiczno-Przyrodniczym w Bydgoszczy (Regional Innovativeness Centre affiliated to the University of Technology and Lifesciences in Bydgoszcz). The Centre acts as an intermediary between the researchers and entrepreneurs by running didactic, training and informative projects. A network of research laboratories is being created in the fields of technical and natural sciences, which are to provide high quality research for businesses. (http://www.utp.edu.pl/uczelnia/regionalne-centrum-innowacyjnosci.html, 27.09.2012.).

Bydgoski Park Przemysłowo-Technologiczny (BPPT - Bydgoszcz Industrial and Technological Park). The BPPT supports business investment on all steps of investment process (negotiations, purchase of real estate, legal matters, environmental decision, technical conditions analysis, construction permits and construction itself). Investors are also entitled to make use of various services related to advanced technologies, cooperation with universities or accounting and legal advice. (www.bppt.pl/, 27.09.2012.).

Special economic zones in Kujawsko Pomorskie voivodeship - effects

Currently there is one special economic zone (SSE) in Kujawsko-Pomorskie voivodeship: Pomorska Specjalna Strefa Ekonomiczna (PSSE). At the end of 2011 the area of PSSE was part of 9 gminas (counties). There are 2 zone in the area of Kobierzyce (Wałbrzyska and Tarnobrzeska): Barcina, Bydgoszczy, Grudziadza, Kowalewa Pomorskiego, Łysomic, Rypina, Świecia, Torunia i Wabrzeźna. It is worth mentioning that subzones Świecie, Łysomice, Kowalewo Pomorskie and Toruń, Wabrzeźno and Rypin are already fully allotted (Exhibit 6).

Exhibit 6. The location of subzones of the Pomorska SSE in Kujawsko-pomorskie voivodeship.



Source: proprietary calculations.

The PSSE was created in 2006. At the end of 2011 no investors have entered the Rypin and Toruń SSE. The enterprises operating in the other zones have until 2011 invested 3,3 billion PLN which constitutes 4,1% of all economic zone capital expenditures in Poland. In the same period the enterprises have created 4.961 thousand jobs, which constitutes 2,7% of all new jobs created in economic zones - cf. Chart 4.

Chart 4. Effects of Pomorska special economic zone functioning at the end of 2011.

Gmina	Leading industries (capital expenditure larger than 20% of overall capital expenditure in the subzone)	New jobs created	Cumulated capital expenditure in million PLN
Barcin	Cement	6	219,97
Grudziadz (city)	Paper	118	111,17
Kowalewo Pomorskie	Synthetic materials	502	195,16
Łysomice	Elektronics	3 880	1 334,23
Świecie	Paper	371	1 295,45

Source: Authors' own calculations based on PSSE Office in Toruń data.

The most effective was Łysomice subzone by attracting Japanese capital, which invested in electronic industry, namely: SHARP MANUFACTURING POLAND Sp. z o.o., ORION ELECTRIC (POLAND) sp.z o.o., POLAND TOKAI OKAYA MANUFACTURING Sp. z o.o., SOHBI CRAFT Poland Sp. z o.o., SUMIKA ELECTRONIC MATERIALS Poland Sp. z o.o., KIMOTO Poland Sp. z o.o., TENSHO Poland Sp. z o.o., U-TEC Poland Sp. z o.o., Yusen Logistics (Polska) Sp. z o.o. (formerly NYK Logistics Polska sp. z o.o)., Nissin Logistics Poland Sp. z o.o., NIPPON EXPRESS GmbH Sp. z o.o. The 179 ha of Łysomice subzone now houses a cluster of Japanese electronics industry companies, called Crystal Park.

The next subzone in terms of invested capital is Świecie with two paper companies operating MONDI ŚWIECIE S.A. and MONDI CORRUGATED ŚWIECIE Sp. z o.o.. The abovementioned zones have strong industrial traditions related to these industries and have strengthened the role of their localities on the regional investment map.

Other subzone have attracted considerably lower amount of capital. Schumacher Packaging Zakład Grudziadz Sp. z o.o. (formerly POLPAK PAPIER sp. z o.o). has invested in Grudziadz, Plastica Sp. z o.o. in Kowalewo Pomorskie, Lafarge Cement S.A., Mapei Polska Sp. z o.o. in Barcin and Airon Investment Anna Niemczewska, Baumat Sp. z o.o. i METALBARK PPU Zbigniew Barłóg in Bydgoszcz.

In 2010 Apator S.A. based in Toruń obtained a permission to operate in Pomorska SSE in Ostaszewo. Additionally it is worth mentioning that a new economic subzone was created in Toruń on the premises of Elana (Grupa Boryszew) as a result of negotiations between Elana's board and Ministry of Economics. To operate in this subzone a company has to fulfil the requirements for operating in a private real estate subzone: capital expenditure of at least 20 million PLN and employment of at least 30 people.

According to the development plan of PSSE, the Kujawsko-Pomorskie voivodeship wishes to attracts investors:

- From innovative services;
- Machine industry;
- Electronic industry;
- Food processing industry;
- Industries that create jobs in branches, for which the voivodship has an abundant human resources.

‘A’ Commune

Student Scientific Organisation for Entrepreneurship and Regional Analyses affiliated to the Institute of Enterprise of the Warsaw School of Economics, has again published the results of its research into the quality of investor assistance given by the communal authorities. The subject of this study of investment attractiveness is: an audit of Web sites and audit of e-contact in Polish and English with communal authorities. The effect of this study is a ranking ‘A’ Commune, which is thought to distinguish best performing self-government territorial units in terms of the use of means of electronic communication in their assistance. The research is carried out using the mystery client method. In this year’s edition all gminas belonging to Class A according to the PAI 2010 index were subject to query.

As a result 70 gminas have been distinguished; this includes 7 gminas situated in Kuyavian-Pomeranian voivodship.

Chart 5. Gminas in Kuyavian-Pomeranian voivodship distinguished as ‘A’ Communes

Gmina	Poviat	Audit of Web sites	Audit of e-contact in Polish	Audit of e-contact in English	Sum
Bydgoszcz (1)	Bydgoszcz	10	4	4,5	**18,5**
Inowrocław (1)	inowrocławski	9	5	0	**14**
Osielsko (2)	bydgoski	7,5	5	0	**12,5**
Barcin (3)	żniński	7,5	5	0	**12,5**
Golub-Dobrzyń (1)	golubsko-dobrzyński	9,5	3	0	**12,5**
Wabrzeźno (1)	wabrzeski	7,5	5	0	**12,5**
Toruń (1)	Toruń	8,5	4	0	**12,5**

Source: Authors’ own materials.

Bydgoszcz should be particularly distinguished in this list because of its highest place in the whole ranking (together with Cracow) in view of the criteria of evaluation. It deserves distinction for a readable, neat Web site of the authorities which offers helpful information for investors and good positioning of a local brand in social media networking. The city of Bydgoszcz should also be praised for the content of and quick reactions to emails in Polish and English. In order to gain a new investor the city offered to include their investment in the special economic zone and real estate tax exemption.

The commune which deserves a distinction for the quality of e-correspondence is Barcin. The answer received from it has a form of a letter signed by the Mayor. The letter included potential sites, invited to further contact and presented extensive description of assistance to entrepreneurs in this gmina. This answer can serve as an example for other local authorities to follow.

5. Region's strengths and weaknesses

Kuyavian-Pomeranian voivodship has its unique character and clear specificity which influences its strenghts and weaknesses. If divided according to the main factors of location and location conditions classified into microclimates composing potential and real investment attractiveness, they can be grouped into strengths (microclimates ranking A, B or C) and weaknesses (microclimates ranking D, E or F) – see Chart 6.

Chart 6. Strengths and weaknesses of Kuyavian-Pomeranian voivodship

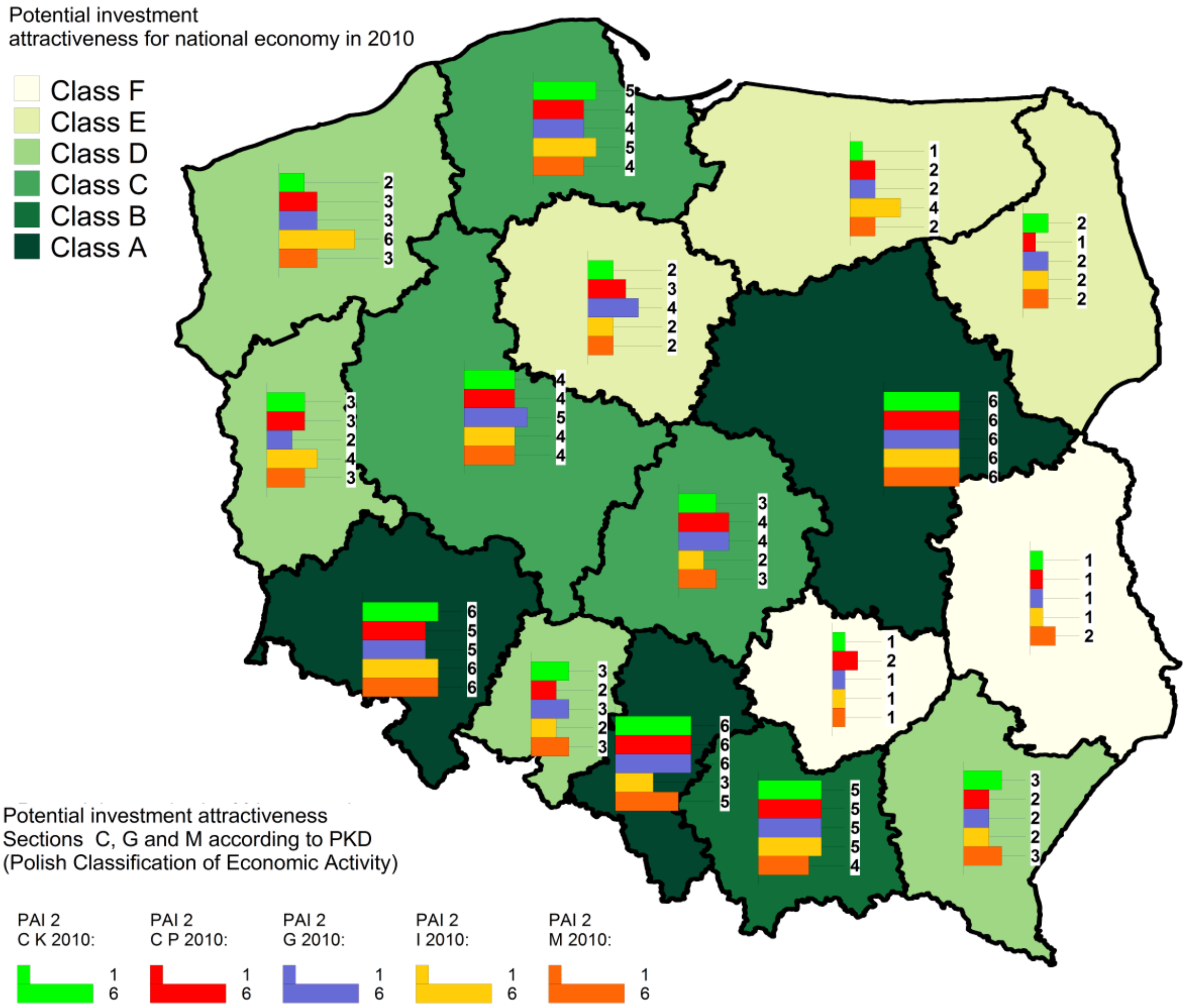
Strengths of the region according to the microclimates by IP SGH	Weaknesses of the region according to the microclimates by IP SGH
National economy	
Microclimate Technical Infrastructure Class C Returns on tangible assets Class A Self-financing of self-government units Class C	Microclimate Human Resources Class F Microclimate Social Infrastructure Class F Microclimate Social Capital Class D Microclimate Market Class D Microclimate Administration/Governance Class E Microclimate Innovativeness Class D Labour productivity in enterprises Class D Profitability of enterprises Class D Investment outlays Class E
Capital intensive industry	
Microclimate Innovativeness Class C Self-financing of self-government units Class C Investment outlays Class C	Microclimate Human Resources ClassF Microclimate Technical Infrastructure Class D Microclimate Social Infrastructure Class F Microclimate Social Capital Class E Microclimate Market Class D Microclimate Administration/Governance Class F Returns on tangible assets Class E Labour productivity in enterprises Class D
Labour intensive industry	
Microclimate Social Capital Class C Labour productivity in enterprises Class C Self-financing of self-government units Class C	Microclimate Human Resources Class D Microclimate Technical Infrastructure Class D Microclimate Social Infrastructure Class F Microclimate Market Class D Microclimate Administration/Governance Class E Returns on tangible assets Class E Labour productivity in enterprises Class D

Trade	
Returns on tangible assets Class A Labour productivity in enterprises Class C Self-financing of self-government units Class C	Microclimate Human Resources Class E Microclimate Technical Infrastructure Class D Microclimate Social Infrastructure Class F Microclimate Social Capital Class D Microclimate Market Class D Microclimate Administration/Governance Class E Investment outlays Class D
Tourism	
Returns on tangible assets Class B Labour productivity in enterprises Class C Self-financing of self-government units Class C	Microclimate Human Resources Class D Microclimate Technical Infrastructure Class D Microclimate Social Infrastructure Class F Microclimate Social Capital Class E Microclimate Market Class D Microclimate Administration/Governance Class E Investment outlays Class D
Professional, scientific and technical activities	
Microclimate Innovativeness Class C Self-financing of self-government units Class C	Microclimate Human Resources Class F Microclimate Technical Infrastructure Class D Microclimate Social Infrastructure Class F Microclimate Social Capital Class D Microclimate Market Class D Microclimate Administration/Governance Class F Returns on tangible assets Class F Labour productivity in enterprises Class D Investment outlays Class D

Source: Authors on the basis of the results of research of the Institute of Enterprise of the Warsaw School of Economics (IP SGH).

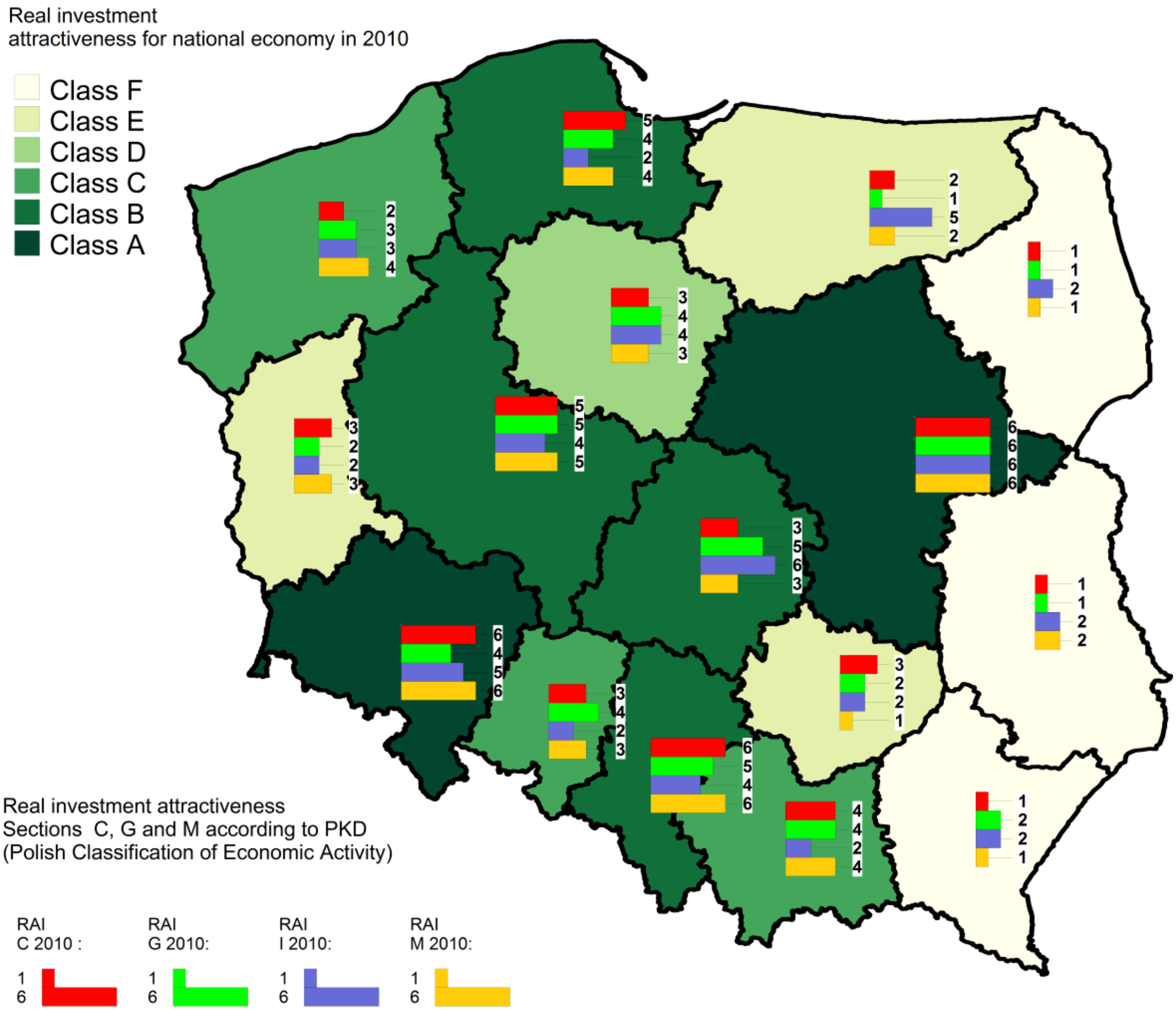
APPENDIX

Exhibit 1. Potential investment attractiveness of Polish voivodship broken down by basic sections of the national economy



Source: Authors' own materials.

Exhibit 2. Real investment attractiveness of Polish voivodship broken down by basic sections of the national economy



Source: Authors' own materials.

Chart 1. List of investment attractiveness indices for voivodships

Voivodship	LOWER SILESIAN	KUYAVIAN-POMERANIAN	LUBLIN	LUBUSZ	ŁÓDŹ	LESSER POLAND	MASOVIAN	OPOLE	SUBCARPATHIAN	PODLASKIE	POMERANIAN	SILESIAN	ŚWIĘTOKRZYSKIE	WARMIAN-MASURIAN	GREATER POLAND	WESTERN POMERANIAN
PAI1 GN	A	E	F	C	D	C	A	E	D	E	B	A	F	D	B	C
PAI2 GN	A	E	F	D	C	B	A	D	D	E	C	A	F	E	C	D
RAI GN	A	D	F	E	B	C	A	C	F	F	B	B	E	E	B	C
PAI1 C	A	D	F	C	C	C	A	D	E	E	B	A	F	E	C	C
PAI2 C KAPITAŁ	A	E	F	D	D	B	A	D	D	E	B	A	F	F	C	E
PAI2 C PRACA	B	D	F	D	C	B	A	E	E	F	C	A	E	E	C	D
RAI C	A	D	F	D	D	C	A	D	F	F	B	A	D	E	B	E
PAI1 G	A	E	F	C	D	B	A	D	E	F	B	A	F	C	C	C
PAI2 G	B	C	F	E	C	B	A	D	E	E	C	A	F	E	B	D
RAI G	C	C	F	E	B	C	A	C	E	F	C	B	E	F	B	D
PAI1 I	B	E	F	B	E	B	A	E	D	E	B	D	F	B	C	A
PAI2 I	A	E	F	C	E	B	A	E	E	E	B	D	F	C	C	A
RAI I	B	C	E	E	A	E	A	E	E	E	E	C	E	B	C	D
PAI1 M	A	E	F	C	D	C	A	D	D	F	B	B	F	D	B	C
PAI2 M	A	E	E	D	D	C	A	D	D	E	C	B	F	E	C	D
RAI M	A	D	E	D	D	C	A	D	F	F	C	A	F	E	B	C

Source: Authors on the basis of the results of statutory research carried out in the Collegium of Business Administration under the guidance of H. Godlewska-Majkowska.

Chart 2. Potential investment attractiveness of poviats of Kuyavian-Pomeranian voivodship for the national economy and selected sections

Poviat	PAI1_GN	PAI1_GN_ Classes	PAI1_C_ Classes	PAI1_G_ Classes	PAI1_I_ Classes	PAI1_M_Clas ses
The city of Toruń	0,367	A	A	A	A	A
The city of Grudziadz	0,341	A	A	A	C	A
The city of Bydgoszcz	0,329	A	A	A	C	A
The city of Włocławek	0,323	A	A	A	B	A
inowrocławski	0,267	C	C	D	D	D
bydgoski	0,263	C	C	D	C	D

Source: See Chart 1.

Chart 3. Potential investment attractiveness of gminas of Kuyavian-Pomeranian voivodship for the national economy and selected sections

Gmina	PAI1_GN	PAI1_GN_ Classes	PAI1_C_ Classes	PAI1_G_ Classes	PAI1_I_ Classes	PAI1_M_ Classes
Toruń (1)	0,283	A	A	A	A	A
Inowrocław (1)	0,281	A	A	A	B	A
Grudziadz (1)	0,264	A	A	A	C	A
Bydgoszcz (1)	0,256	A	A	A	B	A
Chełmża (1)	0,251	A	A	A	B	A
Włocławek (1)	0,250	A	A	A	B	A
Wabrzeźno (1)	0,248	A	A	A	B	A
Ciechocinek (1)	0,245	A	A	A	A	A
Osielsko (2)	0,237	A	A	A	A	A
Golub-Dobrzyń (1)	0,237	A	A	A	B	A
Brodnica (1)	0,234	A	A	A	C	A
Chełmno (1)	0,232	A	A	A	C	A
Janikowo (3)	0,232	A	A	A	C	B
Rypin (1)	0,231	A	A	B	D	A
Solec Kujawski (3)	0,230	A	A	B	B	A
Świecie (3)	0,225	A	A	B	A	A
Barcin (3)	0,212	B	B	B	C	B
Aleksandrów Kujawski (1)	0,211	B	B	B	D	A
Wielka Nieszawka (2)	0,211	B	B	C	A	C
Radziejów (1)	0,210	B	B	C	E	B
Białe Błota (2)	0,209	B	B	C	A	B
Tuchola (3)	0,208	B	B	B	C	B
Kowal (1)	0,205	B	B	B	E	B
Lipno (1)	0,202	B	B	C	D	B

Source: See Chart 1.
Note: all indices in this report have been computed on the basis of the most up-to-date data from the Local Data Bank (2012).