

CENTRE FOR REGIONAL AND  
LOCAL ANALYSES

# REGIONAL INVESTMENT ATTRACTIVENESS 2012

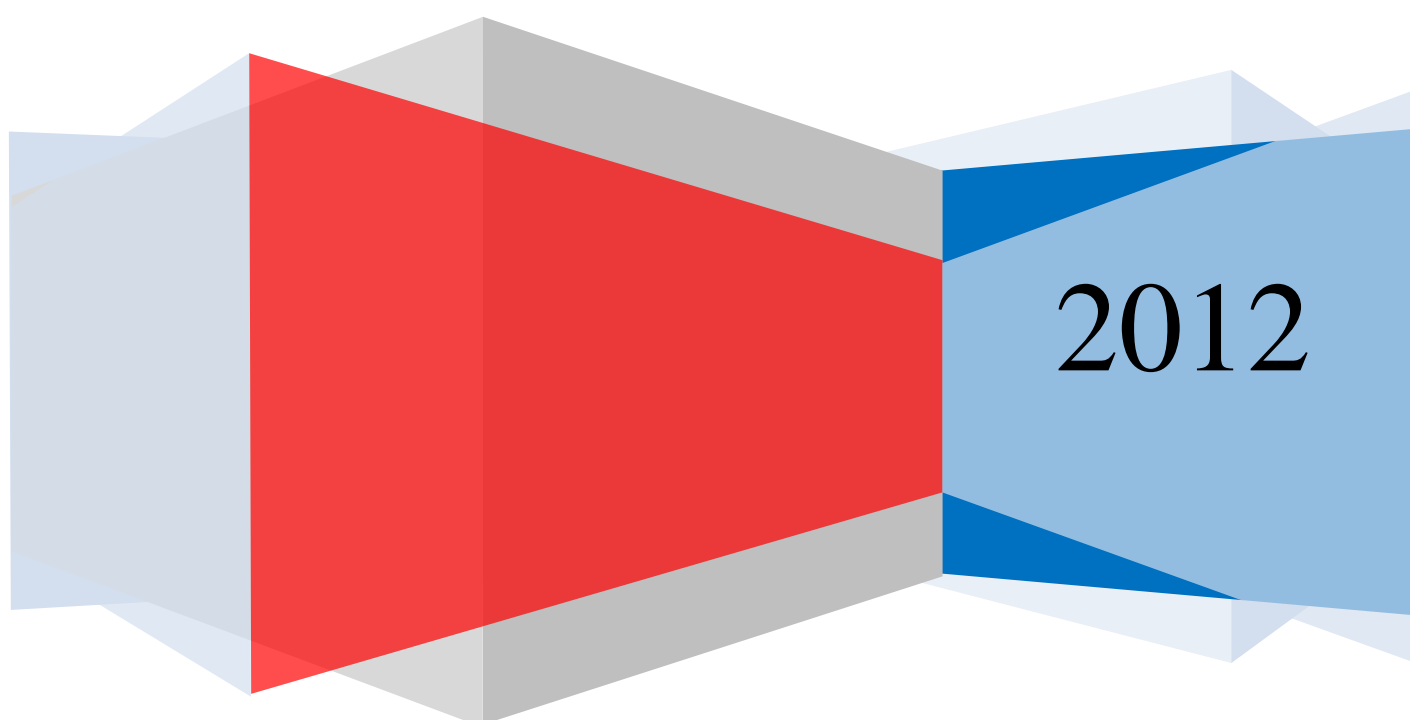
## Warmian-Masurian voivodship

*Dr hab. Hanna Godlewska-Majkowska, Ph. D.  
university professor at the Warsaw School of Economics*

Agnieszka Komor, Ph.D.

Patrycjusz Zarębski, Ph.D.

Magdalena Typa, M.A.



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/instituty/ip](http://www.sgh.waw.pl/instituty/ip), on the Web site of the Centre for Regional and Local Analyses, which cooperates with the Institute of Enterprise: [www.caril.edu.pl](http://www.caril.edu.pl), as well as in numerous scientific publications and expert opinions.

## 1. The profile of regional economy of Warmian-Masurian voivodship

Warmian-Masurian voivodship is situated in the north-eastern part of Poland and as the only voivodship it borders on the Kaliningrad Oblast (the Russian Federation), which gives huge opportunities of cooperation with the markets of Eastern Europe, including Russia. In the voivodship there are also huge opportunities of developing the manufacture of high-quality food, which is determined by the favourable structure of farm size and the presence of unoccupied production space in agriculture.

The main advantages of the voivodship are:

- favourable natural conditions (lake districts, forests) for the development of tourism, agritourism as well as 'clean' (green) industry using renewable energy,
- the A1 and Via Baltica routes (planned) give opportunities to develop very good connections in the future,
- in the voivodship there is a sea port in Elbląg, which is located on the Vistula lagoon. Currently a project of building a shipping canal through the Vistula Spit with the cooperation with the Ukraine, which additionally raises the advantages of the region in terms of transport,
- there are high ranked scientific establishments and courses of study connected with agriculture and food processing: the Institute of Animal Reproduction and Food Research of the Polish Academy of Sciences in Olsztyn and Warmian-Masurian University in Olsztyn: the Faculty of Animal Bioengineering, the Faculty of Environmental Protection and Fishery, the Faculty of Veterinary Medicine, the Faculty of Environmental Management and Agriculture, the Faculty of Food Sciences,
- the voivodship's largest cities are Olsztyn and Elbląg. Olsztyn is the main centre of food industry, the manufacture of tyres, timber industry and tourism. Elbląg is an important centre of heavy industry and tourism. It is also a sea port.

### Additional information

**Chart 1. General characteristics of the economy of Warmian-Masurian voivodship**

Feature	Warmian-Masurian voivodship	Poland	Share [%]
<b>Market Potential</b>			
GDP per capita (PLN/person) in 2009	25,970	35,210	-
Population (persons) on 30 December 2011	1,452,596	38,538,447	3.8
<b>Human Resources Potential</b>			
Higher education institutions graduates (persons) in 2011	14,551	492,646	3.0
Secondary schools graduates (persons) in 2011	16,226	421,724	3.8

Number of employed persons on 31 December 2011	422,880	13,911,203	3.0%
Structure of employed persons in 2011	agriculture 11.1% industry 32.4% services 56.5%	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	290.3	61,600.3	0.5
Capital of companies (PLN mln) in 2010	1,553.9	188,812.4	0.8
Special economic zones (SEZs) in the voivodship			
<div>- The Warmian-Masurian SEZ, subzones: Barczewo, Bartoszyce, Dobre Miasto, Iłowo-Osada, Morąg, Nidzica, Olecko, Olsztynek, Orzysz, Pasłęk, Piecki, Pisz, Szczytno, Wielbark, Bartoszyce (city), Elbląg (city), Iława (city), Lidzbark Warmiński (city), Mrągowo (city), Nowe Miasto Lubawskie (city), Olsztyn (city), Ostróda (city).</div> <div>- The Suwałki SEZ, subzones: Ełk (city), Gołdap.</div>			
Investment attractiveness			
Potential investment attractiveness (location-specific advantages evaluation)		Tourism class C	
Real investment attractiveness (economic effects evaluation)		Tourism class B	
Poviats and gminas distinguished according to the Potential Attractiveness Index for the national economy			
Poviats	Class A	Elbląg (city), Olsztyn (city)	
	Class B		
Gminas**	Class A	Działdowo (1), Kętrzyn (1), Ostróda (1), Szczytno (1), Iława (1), Bartoszyce (1), Olsztyn (1), Mrągowo (1), Ełk (1), Giżycko (1), Górowo Iławeckie (1), Elbląg (1), Lidzbark Warmiński (1), Stawiguda (2), Lubawa (1)	
	Class B	Mikołajki (3), Gołdap (3), Nowe Miasto Lubawskie (1), Braniewo (1), Biskupiec (3), Węgorzewo (3), Dywity (2), Olecko (3), Jonkowo (2)	

In 2009 Warmian - Mazurian voivodship made a contribution of 2.8% to the GDP of Poland. . Calculated per capita, it amounted to PLN 25.970 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 149.1% 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 low share of the service sector (56.5%) whereas a share of the agricultural and industrial sectors is respectively 11.1% and 32.4% (CSO, RDB 2012).

The number of inhabitants of the voivodship amounts to 1,452,596 (as of 2011), which makes up 3.8% of the population of Poland. The age structure of the voivodship in 2010 was as follows: 16.1% of the population at pre-reproductive age, 69.1% at reproductive age and 14.8% 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 19.3%, compared to 12.4% in Poland<sup>1</sup>. The average gross monthly remuneration in enterprises sector in the first six months of 2012 amounted to PLN 2,967.9, which is 80.5% of average remuneration in Poland.

The main potential for human capital creation in the voivodship is constituted by 9 higher education institutions in which 46.7 thousand students study, which makes up 2.7% of all students Poland-wide. Moreover 4.0 % of pupils of secondary schools attend technikum schools and 4.4% vocational schools.

The voivodship's strategic sectors mentioned in the strategy of regional development include above all: food industry, the manufacture of furniture, tourism, the manufacture of sports equipment, the manufacture of rubber products.

Preferential conditions of conducting business activities are offered in this voivodship i.a. by the following 2 special economic zones (in Polish: Specjalne Strefy Ekonomiczne, hence abbreviation SSE):

- Warmińsko – Mazurska SSE (Warmian-Masurian special economic zone), subzones: Barczewo, Bartoszyce, Dobre Miasto, Iłowo-Osada, Morąg, Nidzica, Olecko, Olsztyn, Orzysz, Pasłęk, Piecki, Pisz, Szczytno, Wielbark, the city of Bartoszyce, the city of Elbląg, the city of Iława, the city of Lidzbark Warmiński, the city of Mrągowo, the city of Nowe Miasto Lubawskie, the city of Olsztyn, the city of Ostróda,
- Suwalska SSE (Suwałki special economic zone), subzones: the city of Ełk, Gołdap.

## **2. Region's rank in terms of investment attractiveness in Poland**

Warmian-Masurian voivodship is characterised by a low level of universal investment attractiveness, which demonstrates itself in its rank (Class E) according to the main potential investment attractiveness index for the whole national economy PAI 2\_GN. On the other hand the region's investment attractiveness for touristic projects is much higher, which is shown by Class C of the PAI2\_I index and Class B of the simplified version of the same index – PAI1\_I. Initial analysis result, based on the PAI1\_G index distinguishes this voivodship as a favourable location for trade and traditional repairs investments.

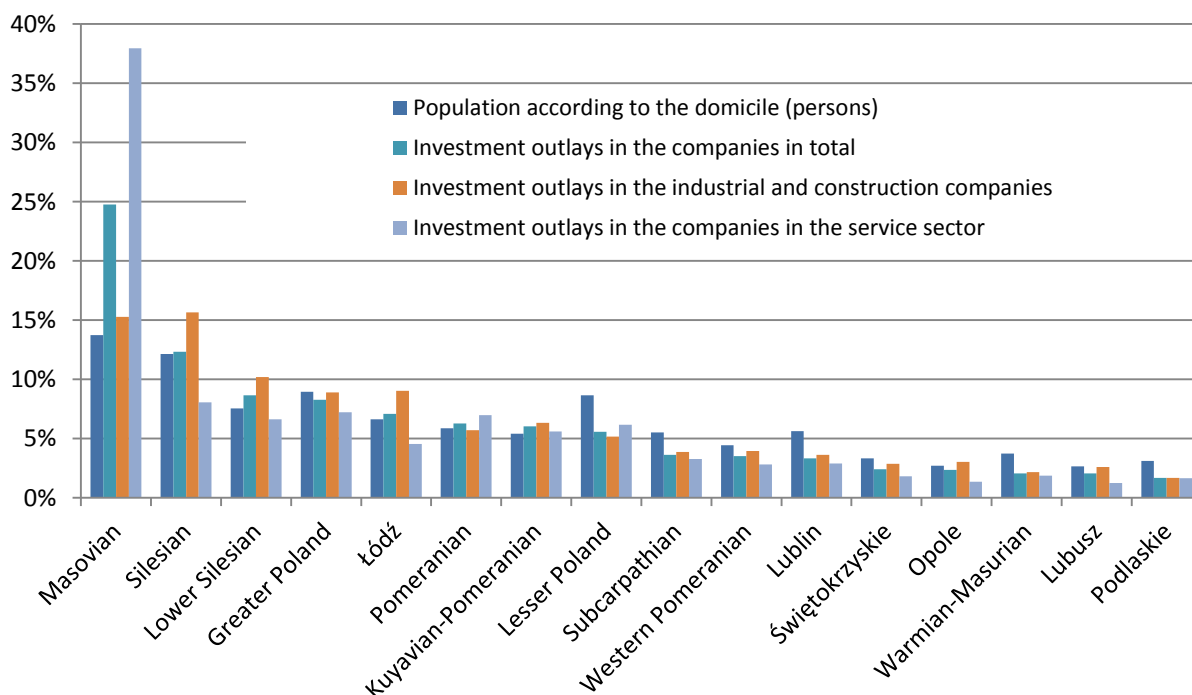
Investment attractiveness can also be determined on the basis of indices of real investment attractiveness (RAI), based on such microclimates as: returns on tangible assets, labour productivity, self-financing of self-government territorial units and investment outlays. Considering these indices the Warmian-Masurian voivodship received rather low ranks (usually E).

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

---

<sup>1</sup> The unemployment rate in voivodships, subregions and poviats in August 2012 is based on the data of Central Statistical Office.

**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)**

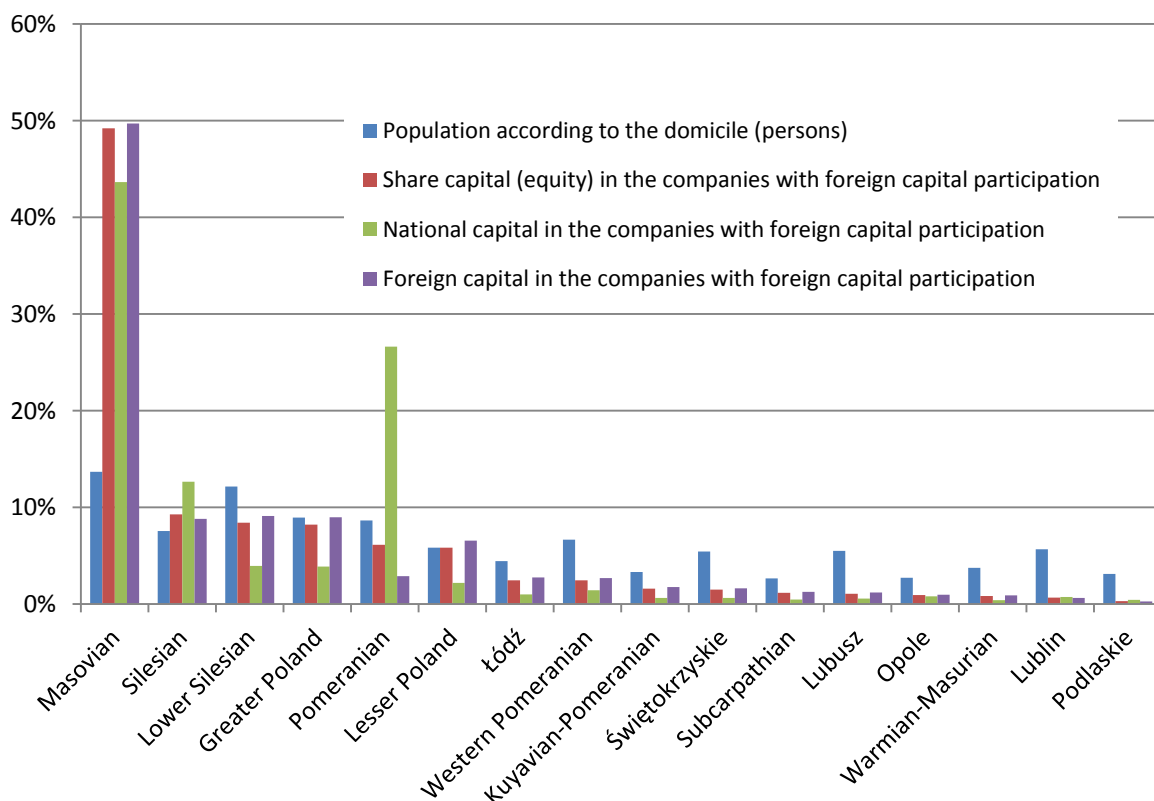


Note: these are the most up-to-date data.

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

The Warmian-Masurian region took the fourteenth place when it comes to the investment outlays in companies. Its share in the country's population equals 4% while its share in national investment outlays was only 2%. This concerns both the investment outlays in industrial and construction enterprises and services companies. However, the voivodship has a remarkably higher share in the farming and forestry sectors (6.2%), which is a result of privatisation of numerous former national farms.

This all indicates that the economic potential of this region is underestimated by investors. This however applies mainly to Polish entrepreneurs. This conclusion is based on the analysis of accumulated share capital in the companies with foreign capital participation - see Exhibit 2.

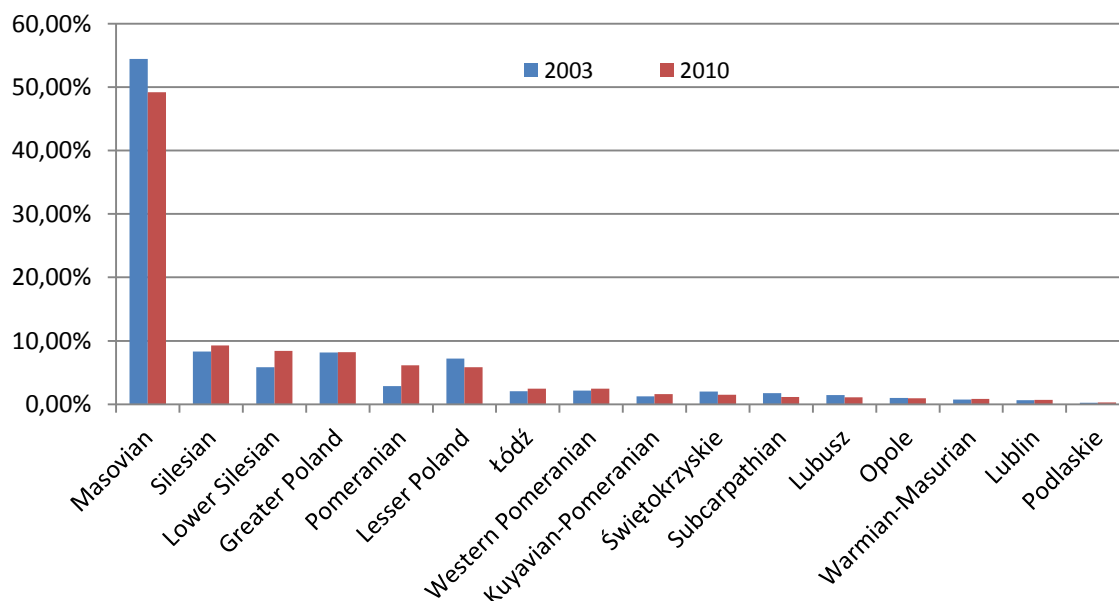
**Exhibit 2. Regional structure of capital in the companies with foreign capital participation in comparison with a share in population (% national population)**

Note: these are the most up-to-date data.

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

Warmian-Masurian voivodship has only 0.82% share in the share capital of companies with foreign capital participation. This applies both to national capital and foreign capital (respectively 0.4% and 0.9% of their national values). This is not much in view of 3.7% share of Poland's population. In the years 2003-2010 the voivodship has raised its competitive rank on the direct foreign investments market, measured by its share in the national value of basic capital of companies with foreign capital participation from 0.22% to 0.28% - see exhibit 3. This was accompanied by degradation of voivodship's competitive rank described as its share in the number of employees of entities with foreign capital participation from 1.8% to 0.93%.

**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)

An opportunity for Warmian-Masurian voivodship lies in neatly prepared investment offers. Self-government units of Warmian-Masurian voivodship should seek opportunities in careful preparation of offers of investment areas in accordance with their location-specific advantages.

### 3. Internal diversification of regional investment attractiveness

#### Poviats (counties)

The following poviats are considered most attractive in Warmian - Masurian voivodship: the city of Olsztyn, the city of Elbląg - see Chart 2.

**Chart 2. Potential investment attractiveness of poviats of Warmian – Masurian voivodship for the national economy and selected sections**

	PAI1_GN	PAI1_GN	PAI1_C	PAI1_G	PAI1_I	PAI1_M
The city of Olsztyn	0,354	A	A	A	A	A
The city of Elbląg	0,334	A	A	A	A	A
gołdapski	0,269	C	C	C	C	D

Source: Authors' own materials.

Enumerated poviats, apart from: elcki powiat, characterize high investment attractiveness. The following poviats should be distinguished: the cities of Olsztyn and Elbląg as these units attained Class A in their potential investment attractiveness for all sections of the national economy under scrutiny in this research.

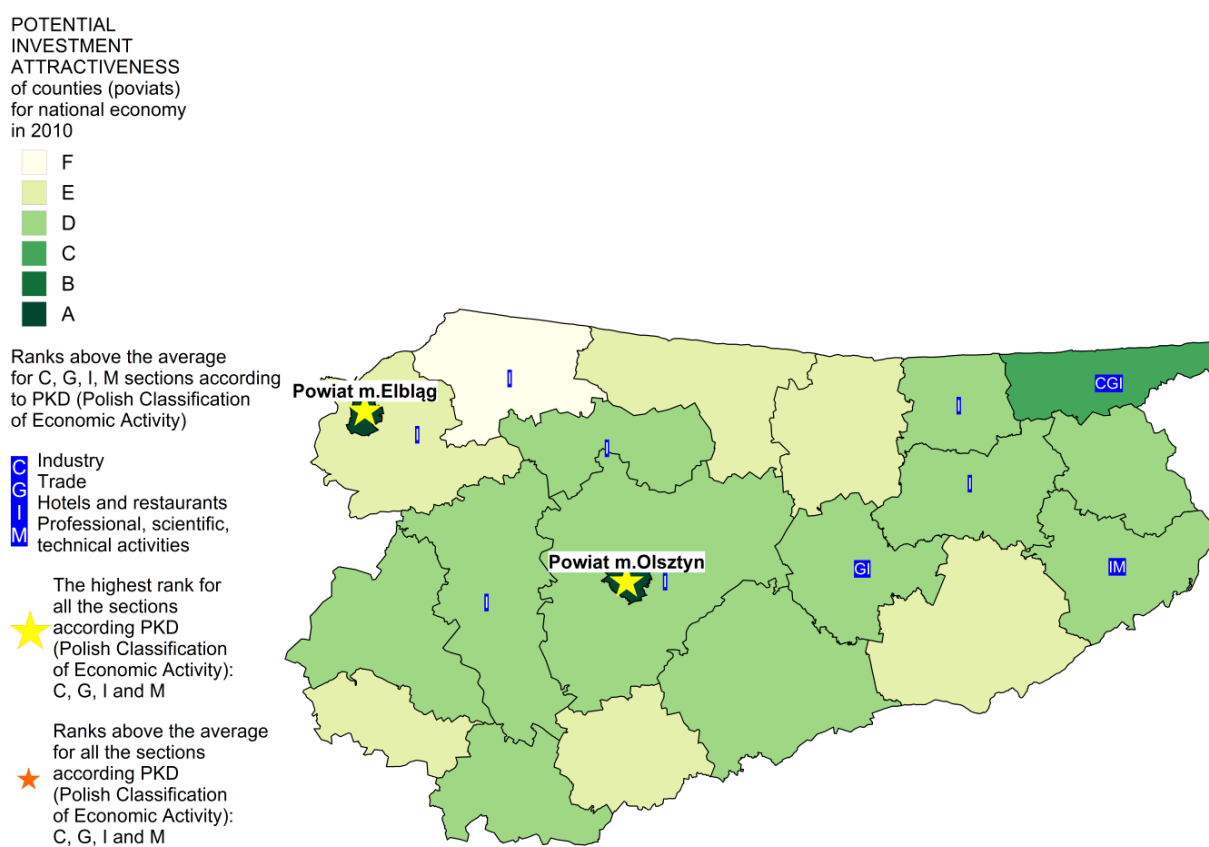
In reference to the sections mentioned below the following poviats should be additionally distinguished:



- Gołdapski (Class C) for section C,
- Gołdapski, mrągowski (Class C) for section G,
- Braniewski, elbląski, ostródzki, ełcki, gołdapski, węgorzewski, lidzbarski, olsztyński (Class C) for section I,
- Ełcki (Class C) for section M.

Synthetic evaluation of potential investment attractiveness of poviats of Warmian - Masurian voivodship is presented in Exhibit 4.

**Exhibit 4. Spatial diversification of potential investment attractiveness of poviats of Warmian – Masurian 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: Działdowo (1), Kętrzyn (1), Ostróda (1), Szczytno (1), Iława (1), Bartoszyce (1), Olsztyn (1), Mrągowo (1), Ełk (1), Giżycko (1), Górowo Iławeckie (1), Elbląg (1), Lidzbark Warmiński (1), Stawiguda (2), Lubawa (1). 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 Warmian – Masurian voivodship for the national economy and selected sections**

Gmina	PAI1_GN	PAI1_GN	PAI1_C	PAI1_G	PAI1_I	PAI1_M
Działdowo (1)	0,284	A	A	A	A	A
Kętrzyn (1)	0,283	A	A	A	A	A
Ostróda (1)	0,282	A	A	A	A	A
Szczytno (1)	0,276	A	A	A	C	A
Iława (1)	0,273	A	A	A	A	A
Bartoszyce (1)	0,272	A	A	A	B	A
Olsztyn (1)	0,270	A	A	A	A	A
Mrągowo (1)	0,268	A	A	A	A	A
Ełk (1)	0,263	A	A	A	B	A
Giżycko (1)	0,263	A	A	A	A	A
Górowo Iławeckie (1)	0,260	A	A	A	B	A
Elbląg (1)	0,258	A	A	A	A	A
Lidzbark Warmiński (1)	0,255	A	A	A	A	A
Stawiguda (2)	0,244	A	A	A	A	A
Lubawa (1)	0,241	A	A	A	A	A

(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: Mikołajki (3), Gołdap (3), Nowe Miasto Lubawskie (1), Braniewo (1), Biskupiec (3), Węgorzewo (3), Dywity (2), Olecko (3), Jonkowo (2). 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:

- Frombork (3), Iłowo-Osada (2), Lidzbark (3), Elbląg (2), Młynary (3), Pasłęk (3), Iława (2), Łukta (2), Morąg (3), Giżycko (2), Ryn (3), Orzysz (3), Pisz (3), Reszel (3), Orneta (3), Nidzica (3), Barczewo (3), Dobrze Miasto (3), Gietrzwałd (2), Olsztyn (3) – for section C,
- Elbląg (2), Gronowo Elbląskie (2), Milejewo (2), Młynary (3), Tolkmicko (3), Iława (2), Kisielice (3), Łukta (2), Morąg (3), Giżycko (2), Olecko (3), Orzysz (3), Pisz (3), Ruciane-Nida (3), Węgorzewo (3), Orneta (3), Nidzica (3), Barczewo (3), Biskupiec (3), Dobrze Miasto (3), Gietrzwałd (2), Olsztyn (3), Pasym (3) - for section G,

- Braniewo (2), Iłowo-Osada (2), Godkowo (2), Młynary (3), Morąg (3), Ostróda (2), Giżycko (2), Kruklanki (2), Ryn (3), Orzysz (3), Pozezdrze (2), Węgorzewo (3), Bisztynek (3), Kętrzyn (2), Reszel (3), Lidzbark Warmiński (2), Lubomino (2), Mrągowo (2), Sorkwity (2), Nidzica (3), Biskupiec (3), Olsztynek (3), Szczytno (1), Pasym (3), Rozogi (2), Świętajno (2) – for section I,
- Frombork (3), Iłowo-Osada (2), Lidzbark (3), Elbląg (2), Pasłęk (3), Susz (3), Biskupiec (2), Łukta (2), Ełk (2), Giżycko (2), Ryn (3), Reszel (3), Orneta (3), Mikołajki (3), Barczewo (3), Dobrze Miasto (3), Jonkowo (2) – for section M.

Synthetic evaluation of potential investment attractiveness of gminas of Subcarpathian voivodship is presented in Exhibit 5.

### Exhibit 5. Potential investment attractiveness of gminas of Warmian – Masurian voivodship

POTENTIAL  
INVESTMENT  
ATTRACTIVENESS  
of communes (gminas)  
for national economy  
in 2010

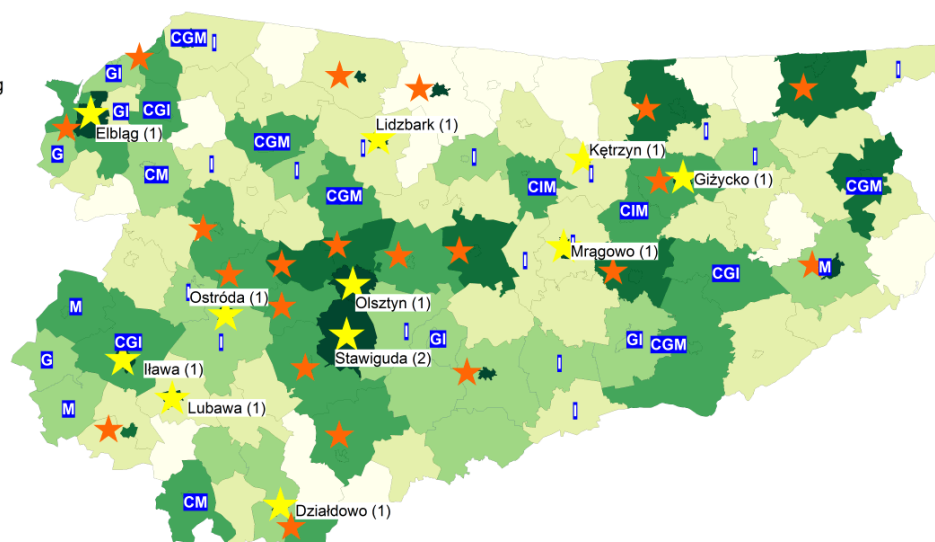


Ranks above the average  
for C, G, I, M sections according  
to PKD (Polish Classification  
of Economic Activity)

**C** Industry  
**G** Trade  
**I** Hotels and restaurants  
**M** Professional, scientific,  
technical activities

★ The highest rank for  
all the sections  
according PKD  
(Polish Classification  
of Economic Activity):  
C, G, I and M

★ Ranks above the average  
for all the sections  
according PKD  
(Polish Classification  
of Economic Activity):  
C, G, I and M



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: Innovation and Technology Transfer Centre of Warmian-Masurian University in Olsztyn in Olsztyn, Elbląski Park Technologiczny, Warmińsko-Mazurska Agencja Rozwoju Regionalnego S.A. in Olsztyn, Działdowska Agencja Rozwoju S.A., Nidzicka Fundacja Rozwoju NIDA, Zrzeszenie Prywatnego Handlu i Usług in Olsztyn, Warmińsko-Mazurska Izba Rzemiosła i Przedsiębiorczości, Warmińsko-Mazurski Związek Pracodawców Prywatnych in Olsztyn, Polska Izba Turystyki Oddział Warmińsko-Mazurski in Olsztyn, Iławska Izba Gospodarcza, Warmińsko-Mazurska Rada Federacji Stowarzyszeń Naukowo Technicznych NOT in Olsztyn, Stowarzyszenie "Centrum Rozwoju Ekonomicznego Pasłęka", Fundacja Rozwoju Regionu Łukta, Elbląski Inkubator Nowoczesnych Technologii Informatycznych, Grupa Branżowa WORK WONDERS Branch Olsztyn, Work Service S.A. Oddział Olsztyn, Klaster Browarów Regionalnych in Olsztyn, Klaster Mebel-Elbląg, Bałtycki Klaster Ekoenergetyczny, Warmińsko-Mazurski Klaster RAZEM CIEPLEJ, Klaster MAZURSKIE OKNA, Klaster GARNCARSKA WIOSKA, Klaster Mleczarski.

**Centrum Innowacji i Transferu Technologii Uniwersytetu Warmińsko-Mazurskiego in Olsztyn** (Innovation and Technology Transfer Centre of Warmian-Masurian University in Olsztyn). The Centre offers a wide range of services including trainings, consulting and intermediation in cooperation and technology transfer. The support for cooperation between business and research sectors is based on information and consulting services related to financing sources of innovative endeavours (including joint undertakings of business and research sectors), organising conferences, trade missions, gathering and transmitting information on such initiatives in Europe, organising seminars with University's researchers and regional entrepreneurs. The Centre offers services of technological audit and support in technology transfers. It also helps in finding cooperation partners – technology providers or receivers – in Poland and abroad. Establishment of cooperation is facilitated by access to University's databases (technology offers database, experts database, thesis database, and a corresponding search engine) as well as by access to the Enterprise Europe Network (EEN), which contains information on technology offers and demands of European institutions. The Centre provides support for academic entrepreneurship and processes of commercialisation of research results by organising internships for research staff in businesses and entrepreneurs at the University, organising trainings and courses pertaining to establishing businesses and business operations based on research achievements (start-ups and spin-offs). The Centre does also organise a variety of trainings for regional entrepreneurs from S&M Enterprises, University and other regional research institutions staff as well as their students and graduates. The subjects of the trainings are related to the transfer and commercialisation of knowledge and technology. ([www.uwm.edu.pl/ciitt/](http://www.uwm.edu.pl/ciitt/), 05.10.2012.).

**Elbląski Park Technologiczny** (Elbląg Technology Park) offers office, service and laboratory space (Advanced Environmental Analysis Laboratory, Working Environment and Emission Research Laboratory, Metal Centre Laboratory, IT Transfer Centre, Wood and Furniture Technology Centre), conference and training rooms and leasing of other areas located in a SSE. Businesses located in the Park are able to benefit from a wide range of consulting services related to technology transfer and assistance in acquiring funding from EU and other sources. ([www.ept.umelblag.pl/](http://www.ept.umelblag.pl/), 05.10.2012.).

There are two special economic zones (SSE) in Warmian-Masurian voivodeship: Warmińsko-Mazurska and Suwalska. At the end of 2011 the areas of SSE were part of 9 cities and 15 gminas (communes). (Exhibit 6).

First SSE were established in 1996. The enterprises operating in the zones have until 2011 invested 2,7 billion PLN which constitutes 4% of all economic zone capital expenditures in Poland. In the same period the enterprises have created 7,2 thousand jobs, which constitutes 4% of all new jobs created in economic zones - cf. Chart 4.

SSE/ Gmina	Leading industries (capital expenditure larger than 20% of overall capital expenditure in the subzone)	New jobs created	Cumulated capital expenditure in million PLN
Warmińsko-Mazurska SSE, Barczewo (3)	Data unavailable		
Warmińsko-Mazurska SSE, Bartoszyce (1)	Furniture	400	37,8
Warmińsko-Mazurska SSE, Bartoszyce (2)	Data unavailable		
Warmińsko-Mazurska SSE, Dobrze Miasto (3)	Furniture	574	72,3
Warmińsko-Mazurska SSE, Elbląg (1)	Furniture	353	86,8
Suwałska SSE, Elk (1)	Paper, metal and wood products	1.526	370,1

Suwalska SSE, Gołdap (3)	Metal products	846	118,8
Warmińsko-Mazurska SSE, Iława (1)	Metal	0	1,6
Warmińsko-Mazurska SSE, Iłowo-Osada (2)	Electronics	235	4,2
Warmińsko-Mazurska SSE, Lidzbark Warmiński (1)		0	0,0
Warmińsko-Mazurska SSE, Morąg (3)	Furniture	125	19,2
Warmińsko-Mazurska SSE, Mrągowo (1)	Metal	161	58,7
Warmińsko-Mazurska SSE, Nidzica (3)	Furniture	0	1,5
Warmińsko-Mazurska SSE, Nowe Miasto Lubawskie (1)	Furniture	166	39,8
Warmińsko-Mazurska SSE, Olecko (3)	Furniture	0	0,3
Warmińsko-Mazurska SSE, Olsztyn (1)	Tires	1.258	1.620,6
Warmińsko-Mazurska SSE, Olsztynek (3)	Wood construction products	0	0,0
Warmińsko-Mazurska SSE, Orzysz (3)	Data unavailable		
Warmińsko-Mazurska SSE, Ostróda (1)	Data unavailable		
Warmińsko-Mazurska SSE, Pasłęk (3)	Data unavailable		
Warmińsko-Mazurska SSE, Piecki (2)	Furniture	0	0,0
Warmińsko-Mazurska SSE, Pisz (3)	Data unavailable		
Warmińsko-Mazurska SSE, Szczytno (2)	Construction	488	73,9
Warmińsko-Mazurska SSE, Wielbark (2)	Furniture	1.095	243,2

Source: Authors' own calculations based on PAiIZ data.

The largest investments has been made by Olsztyn Michelin Polska S.A., a producer of tires in Olsztyn. There is also a concentration of furniture producers in the region: Fabryka Mebli SZYNAKA sp. z o.o., DFM sp. z o.o. Fabryka Mebli Taranko Aleksander Taranko.

The SSE development plans for warmińsko-mazurskie voivodeship are based on attracting investors:

- Utilising the labour and resource pool of the voivodeship, especially in projects strengthening the furniture cluster and implementing innovative production and services projects that enhance the competitiveness of the region – in Suwalska SSE.
- From the wood, machinery, electronic, biotechnology industries that will ensure creation of jobs in branches, in which the voivodeship has a potential and which are supported by local institutions, supporting especially the development of beef processing cluster, window-making cluster and development of businesses interested in technology transfer – in Warmińsko-Mazurska SSE.

## '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 3 gminas situated in Warmian-Masurian voivodship.

**Chart 5. Gminas in Warmian-Masurian voivodship distinguished as ‘A’ Communes**

<b>Gmina</b>	<b>Powiat</b>	<b>Audit of Web sites</b>	<b>Audit of e-contact in Polish</b>	<b>Audit of e-contact in English</b>	<b>Sum</b>
Ełk (1)	ełcki	7	4	4	<b>15</b>
Ława (1)	ławski	9	4	0	<b>13</b>
Giżycko (1)	giżycki	9	4	0	<b>13</b>

Source: Authors’ own materials.

What makes the Web sites of all communes in question is their presence in social media networks and foreign language versions (prevalence of the German language). The level of correspondence should also be distinguished. Each of local authorities offices gave answers to the questions and expressed willingness to help further on. In case of Ełk readiness for contact was also confirmed in an e-mail in English to which an information booklet about the gmina and techno-park was attached including also information regarding leasing of spaces in the techno-park.

## 5. Region's strengths and weaknesses

Warmian-Mazurian voivodship has its unique character and clear specificity which influences its strengths 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 Warmian-Mazurian voivodship**

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



Microclimate Administration/Governance Class C	Returns on tangible assets Class E Labour productivity in enterprises Class F Self-financing of self-government units Class E Investment outlays Class F
<b>Tourism</b>	
Microclimate Social Infrastructure Class C Microclimate Social Capital Class B Microclimate Administration/Governance Class C Returns on tangible assets Class C Labour productivity in enterprises Class A Investment outlays Class A	Microclimate Human Resources Class E Microclimate Technical Infrastructure Class D Microclimate Market Class E Microclimate Innovativeness 0 Self-financing of self-government units Class E
<b>Professional, scientific and technical activities</b>	
Microclimate Social Capital Class B	Microclimate Human Resources Class D Microclimate Technical Infrastructure Class D Microclimate Social Infrastructure Class D Microclimate Market Class F Microclimate Administration/Governance Class D Microclimate Innovativeness Class E Returns on tangible assets Class E Labour productivity in enterprises Class E Self-financing of self-government units Class E Investment outlays Class E

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

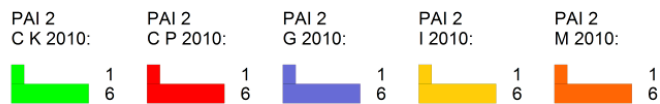
## APPENDIX

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

Potential investment  
attractiveness for national economy in 2010

- Class F
- Class E
- Class D
- Class C
- Class B
- Class A

Potential investment attractiveness  
Sections C, G and M according to PKD  
(Polish Classification of Economic Activity)



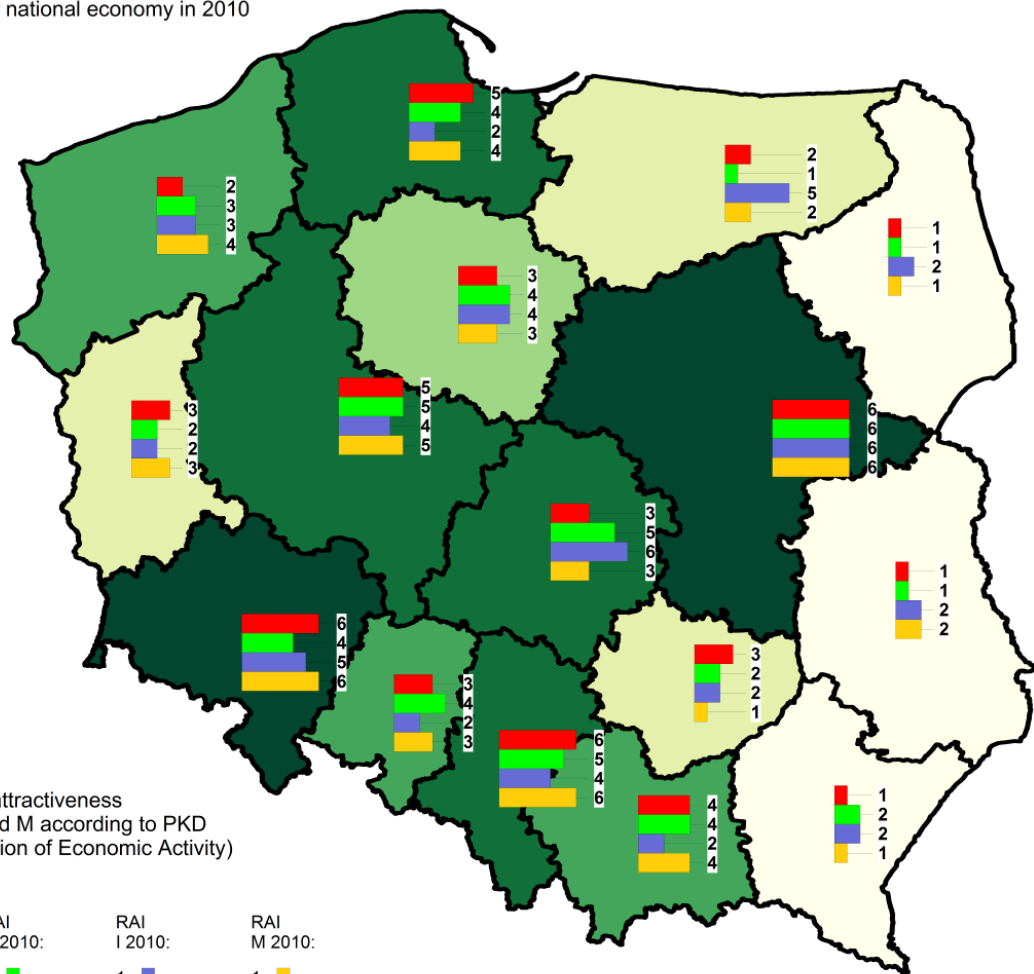
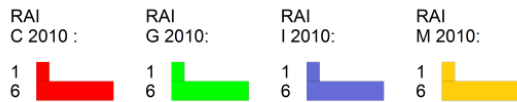
Source: Authors' own materials.

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

Real investment attractiveness for national economy in 2010

- Class F
- Class E
- Class D
- Class C
- Class B
- Class A

Real investment attractiveness  
Sections C, G and M according to PKD  
(Polish Classification of Economic Activity)



Source: Authors' own materials.

**Chart 1. List of investment attractiveness indices for voivodships**

<b>Voivodship</b>	<b>LOWER SILESIAN</b>	<b>KUYAVIAN-POMERANIAN</b>	<b>LUBLIN</b>	<b>LUBUSZ</b>	<b>ŁÓDŹ</b>	<b>LESSER POLAND</b>	<b>MASOVIAN</b>	<b>OPOLE</b>	<b>SUBCARPATHIAN</b>	<b>PODLASKIE</b>	<b>POMERANIAN</b>	<b>SILESIAN</b>	<b>ŚWIĘTOKRZYSKIE</b>	<b>WARMIAN-MASURIAN</b>	<b>GREATER POLAND</b>	<b>WESTERN POMERANIAN</b>
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 Warmian-Masurian voivodship for the national economy and selected sections**

Poviats (counties)	PAI1_GN	PAI1_GN_ Classes	PAI1_C_ Classes	PAI1_G_ Classes	PAI1_I_ Classes	PAI1_M_ Classes
The city of Olsztyn	0,354	A	A	A	A	A
The city of Elbląg	0,334	A	A	A	A	A
gołdapski	0,269	C	C	C	C	D
iławski	0,262	D	D	D	D	D
ełcki	0,260	D	D	D	C	C
giżycki	0,260	D	D	D	B	D
mrągowski	0,259	D	D	C	A	D
szczygieński	0,255	D	D	D	E	D
olsztyński	0,253	D	D	D	C	D
działdowski	0,249	D	D	D	E	D
ostródzki	0,245	D	D	D	C	D
węgorzewski	0,244	D	D	D	C	D
lidzbarski	0,239	D	D	D	C	E
olecki	0,239	D	E	E	E	D
piski	0,238	E	E	D	D	D
bartoszycki	0,235	E	E	D	D	E
elbląski	0,225	E	E	E	C	E
kętrzyński	0,222	E	E	E	D	E
niedzicki	0,221	E	E	E	E	E
nowomiejski	0,215	E	F	F	F	E
braniewski	0,207	F	F	E	C	E

Source: See Chart 1.

**Chart 3. Potential investment attractiveness of gminas of Warmian-Masurian voivodship for the national economy and selected sections**

Gmina (commune)	PAI1_GN	PAI1_GN_classes	PAI1_C_classes	PAI1_G_classes	PAI1_I_classes	PAI1_M_classes
Działdowo (1)	0,284	A	A	A	A	A
Kętrzyn (1)	0,283	A	A	A	A	A
Ostróda (1)	0,282	A	A	A	A	A
Szczytno (1)	0,276	A	A	A	C	A
Ława (1)	0,273	A	A	A	A	A
Bartoszyce (1)	0,272	A	A	A	B	A
Olsztyn (1)	0,270	A	A	A	A	A
Mrągowo (1)	0,268	A	A	A	A	A
Ełk (1)	0,263	A	A	A	B	A
Giżycko (1)	0,263	A	A	A	A	A
Górowo Iławeckie (1)	0,260	A	A	A	B	A
Elbląg (1)	0,258	A	A	A	A	A
Lidzbark Warmiński (1)	0,255	A	A	A	A	A
Stawiguda (2)	0,244	A	A	A	A	A
Lubawa (1)	0,241	A	A	A	A	A
Mikołajki (3)	0,219	B	B	B	A	C
Gołdap (3)	0,217	B	B	B	B	B
Nowe Miasto Lubawskie (1)	0,216	B	B	A	A	B
Braniewo (1)	0,215	B	B	B	D	A
Biskupiec (3)	0,213	B	B	C	C	B
Węgorzewo (3)	0,212	B	B	C	C	B
Dywity (2)	0,210	B	B	B	B	A
Olecko (3)	0,209	B	B	C	D	B
Jonkowo (2)	0,204	B	B	B	B	C

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).