CENTRE FOR REGIONAL
AND LOCAL ANALYSES

REGIONAL INVESTMENT ATTRACTIVENESS 2013

Kuyavian-Pomeranian Voivodship

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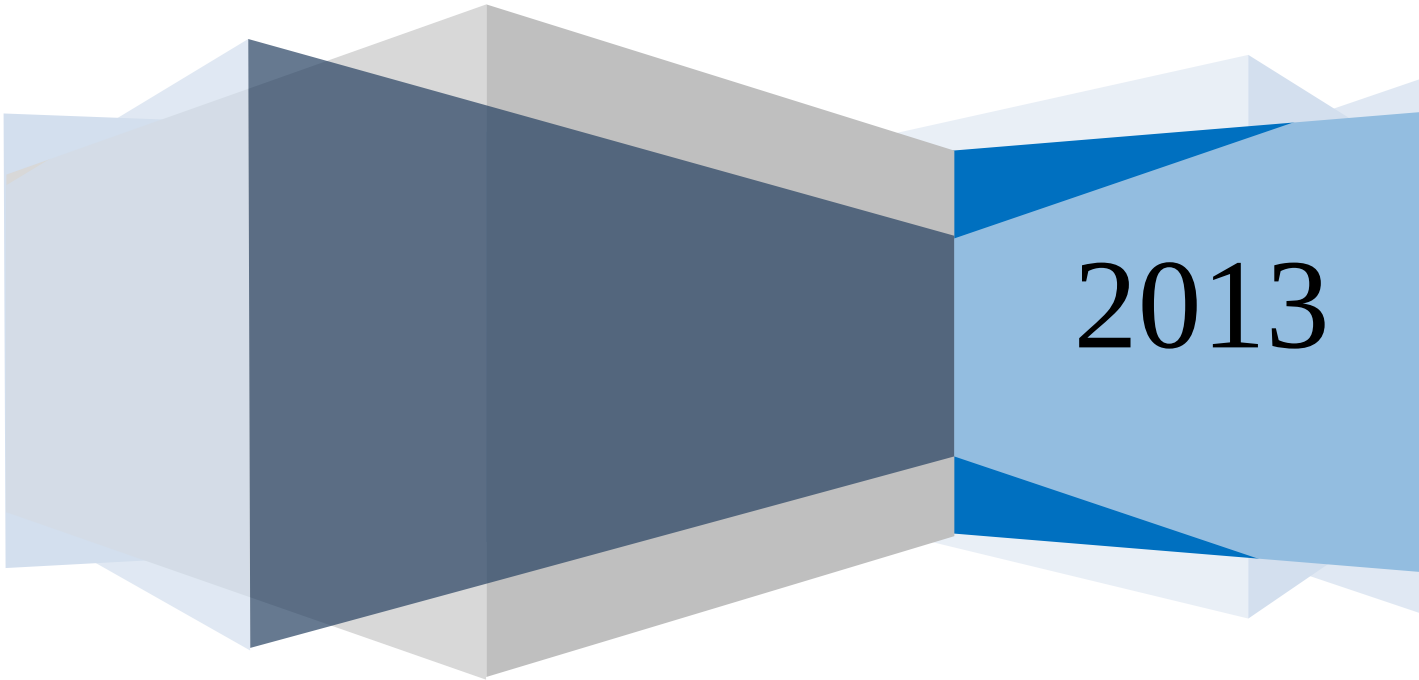


Warsaw, October 2013

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 (WSE), under the supervision of H. Godlewska-Majkowska, Ph.D., university professor at the WSE. All the Authors are the core members of a team that develops methodology of calculating regional investment attractiveness in order that characteristics of regions, which are important to investors, 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 (communes – Polish: *gmina*, counties – Polish: *powiat*, 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 calculated only for the voidoships, on the basis of characteristics available only on the regional or macroregional level which allows evaluating 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, ranks of real investment attractiveness, 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 made, are used in this report.

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 organizations of entrepreneurs. A description of methodological approach to measuring investment attractiveness of Polish regions, counties and communes can be found online on the website 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 education system adjusted to the region's needs it 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 abroad,
- a good access to social infrastructure including in particular medical units, sanatoria and health resorts,
- good research and development facilities[1],
- cultural wealth (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 salt springs) set the foundations for the development of tourism 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 specializing 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.

The general characteristics of the Kuyavian-Pomeranian voivodship are presented in Table 1.

[1] In 2010 the Ministry of Science and Higher Education 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 Śniadecki University of Technologies and Life Sciences in Bydgoszcz.

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

Feature	Kuyavian-Pomeranian voivodship	Poland	Share [%]
Market Potential			
GDP per capita 2010 (PLN/person)	31,107	37,096	-
Population (persons) on 31 December 2012	2,096,404	38,533,299	5.4
Human Resources Potential			
Higher education institutions graduates (persons) in 2012	23,348	484,999	4.8
Secondary schools graduates (persons) in 2012	22,937	421,317	5.4
Number of employed persons on 31 December 2012	683,549	13,911,203	4.9
Structure of employed persons in 2012	agriculture 15.7% industry 30.2% services 54.1%	agriculture 17.1% industry 27.4% services 55.5%	
Investment outlays and capital of companies with foreign capital participation in the voivodship			
Investment outlays (PLN m) in 2011	711.4	73,704.4	1.0
Capital of companies (PLN m) in 2011	3,223.7	194,160.6	1.7
Special economic zones (SEZs) in the voivodship*			
– SSE Pomorska, podstrefa: gm. Barcin, gm. Kowalewo Pomorskie, gm. Łysomice, gm. Świecie, gm. Wąbrzeźno, m. Bydgoszcz, m. Grudziądz, m. Rypin, m. Toruń			
Distinguishing investment attractiveness ratings PAI _2 and RAI (class A, B and C)			
Potential investment attractiveness PAI_2			
Real investment attractiveness RAI	Trade class C Tourism class C		
Counties and communes distinguished according to the Potential Attractiveness Index for the national economy (PAI1_GN)			
Counties – Class A	Bydgoszcz, Toruń, Grudziądz, Włocławek		
Counties – Class B			
Communes – Class A	Osielsko (2), Solec Kujawski (3), Chełmża (1), Bydgoszcz (1), Toruń (1), Brodnica (1), Chełmno (1), Golub-Dobrzyń (1), Świecie (3), Wąbrzeźno (1), Grudziądz (1), Ciechocinek (1), Inowrocław (1), Włocławek (1)		
Communes – Class B	Białe Błota (2), Wielka Nieszawka (2), Aleksandrów Kujawski (1), Janikowo (3), Nakło nad Notecią (3), Radziejów (1), Rypin (1), Kowal (1), Barcin (3)		

Source: Authors' own calculations.

* On the above list and further in the report *gm.* is a Polish abbreviation for *gmina* – commune and *m.* is an abbreviation for *miasto* – city. If there is information *city* following the name of

the county, it indicates a commune which has a status of a city and carries out county's tasks is mentioned (a city county). Otherwise the counties include more than one commune (land counties).
Additional information: (1) – urban commune, (2) – rural commune, (3) – urban-rural commune.

In 2009 Kuyavian-Pomeranian voivodship made a contribution of 4.5% to the GDP of Poland. Calculated per capita, it amounted to PLN 31,107 compared to the average for Poland of PLN 37,096. With this result the voivodship takes the tenth place in the country. The GDP growth rate in the years 2003-2010 amounted to 157.5% while the national average amounted to 168.0%.

In comparison with the whole country the structure of employment in the voivodship is characterised by a relatively low share of the service sector (54.1%) whereas a share of the agricultural and industrial sectors are respectively 15.7% and 30.2% (Central Statistical Office, Regional Data Bank 2013).

The number of inhabitants of the voivodship amounts to 2,096,404 (as of 2013), which makes up 5.4% of the population of Poland. The age structure of Kuyavian-Pomeranian voivodship in 2012 was as follows: 18.8% of the population at pre-productive age 18,8% 64.1% at productive age and 17.1% at post-productive age (for Poland it was 18.3%, 63.9% and 17.8% respectively). The registered unemployment rate in the voivodship amounted to 17.5% in August 2013, compared to 13% in Poland. The average monthly gross wages and salaries in enterprises sector in the first half-year of 2013 amounted to PLN 3209.6, which is 85.1% of the average for Poland.

The main potential for human capital creation in the voivodship lies in 21 higher education institutions in which there are 77 thousand students studying, which makes up 4.6% of all students in Poland. Moreover, 7% of the secondary school students in the voivodship attend vocational schools and 5.9% attend technical schools.

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

Preferential conditions of conducting business activities are offered in the voivodship i.a. in the following special economic zones:

- Pomeranian SEZ (*Pomorska Specjalna Strefa Ekonomiczna)*, subzones in: gm. Barcin, gm. Kowalewo Pomorskie, gm. Łysomice, gm. Świecie, gm. Wąbrzeźno, m. Bydgoszcz, m. Grudziądz, m. Rypin, m. Toruń.

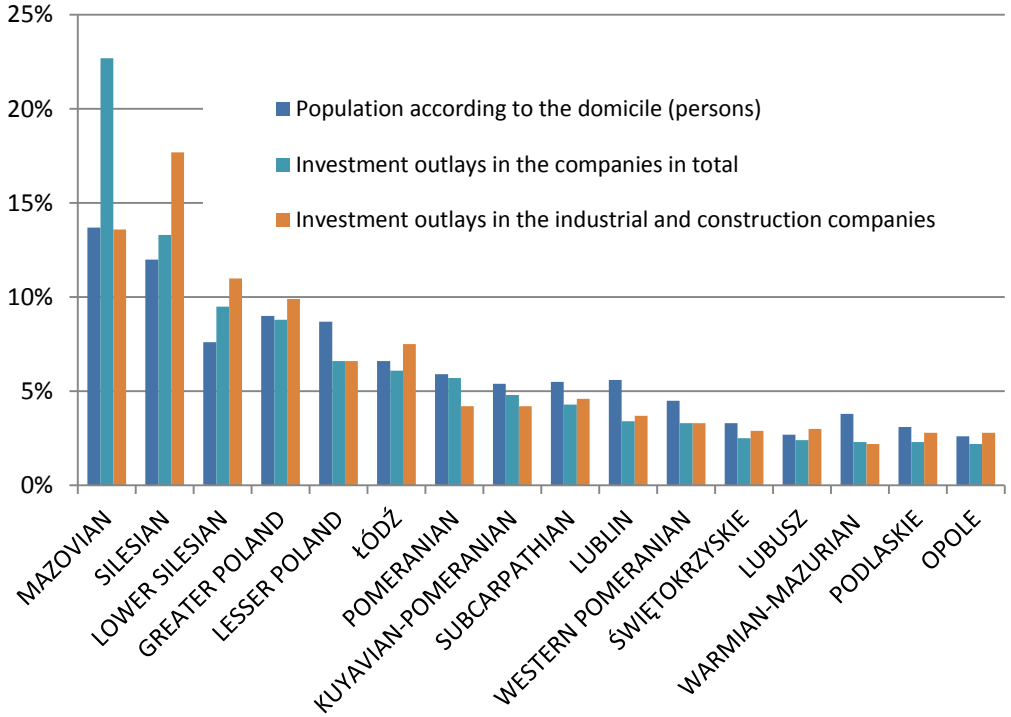
2. Region's rank in terms of investment attractiveness in Poland and in the European Union

Kuyavian-Pomeranian voivodship is characterised by a low level of universal investment attractiveness, which is indicated by its rank (Class E) according to the potential investment attractiveness index for the whole national economy PAI 2_GN (see Chart 1 in the Appendix). It ranks slightly higher in terms of trade and repairs (Class D).[2] Its above-the-average investment attractiveness for trade and repair (Class C) should be linked to its beneficial geographic 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 – see Chart 2 in the Appendix. This region is a leader in terms of effects of investments in trade and repair (Class C) and tourism and gastronomy (Class C).

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

Chart 1. Regional structure of investment outlays in the companies in 2011 in comparison with the share in the country's population

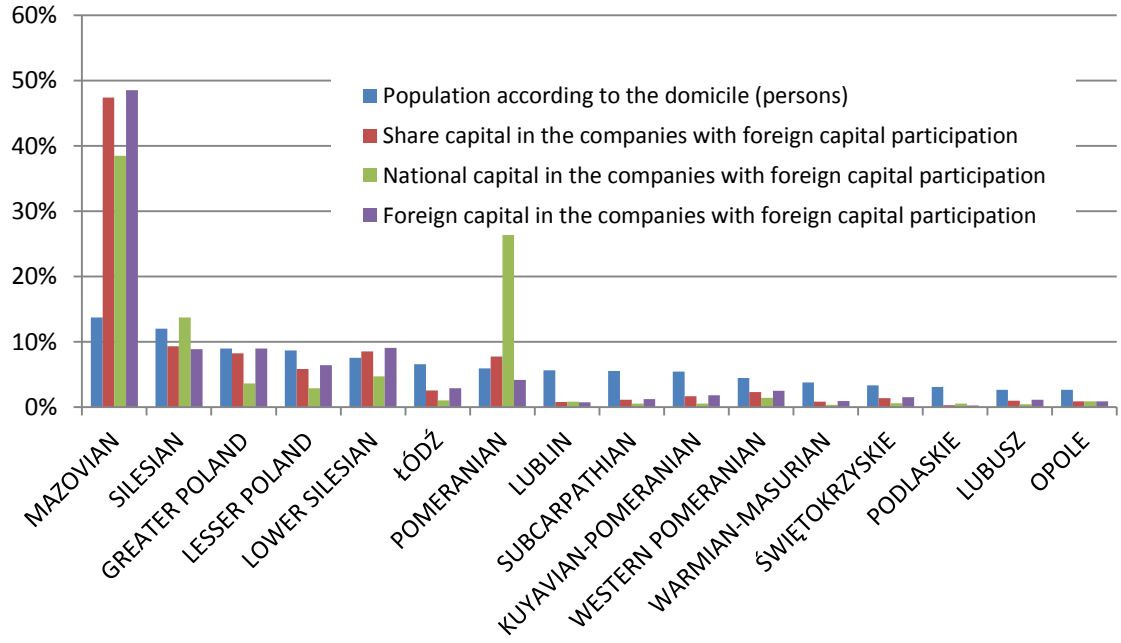


Note: these are the most up-to-date data.
Source: Authors on the basis of the Local Data Bank (downloaded 13 November 2013).

[2] Section C – manufacturing industry, section G – trade and repair, section I – hotels and restaurants, section M – professional, scientific and technical activities. Methodological description of calculation of investment attractiveness of Polish regions, counties and communes can be found on the website of Institute of Entrepreneurship, Collegium of Business and Administration, Warsaw School of Economics: http://kolegia.sgh.waw.pl/pl/KNoP/struktura/IP/publikacje.

In 2011 Kuyavian-Pomeranian voivodship took the eighth 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 would suggest, which means this region is a sought-after business location for investors representing the food industry and service sector (mainly tourism, catering and transport) as well as agriculture. This means they appreciate the regional market potential. However, this applies mainly to the Polish entrepreneurs. Analysing the size of accumulated capital in the companies with foreign capital participation leads to the same conclusion – see Chart 2.

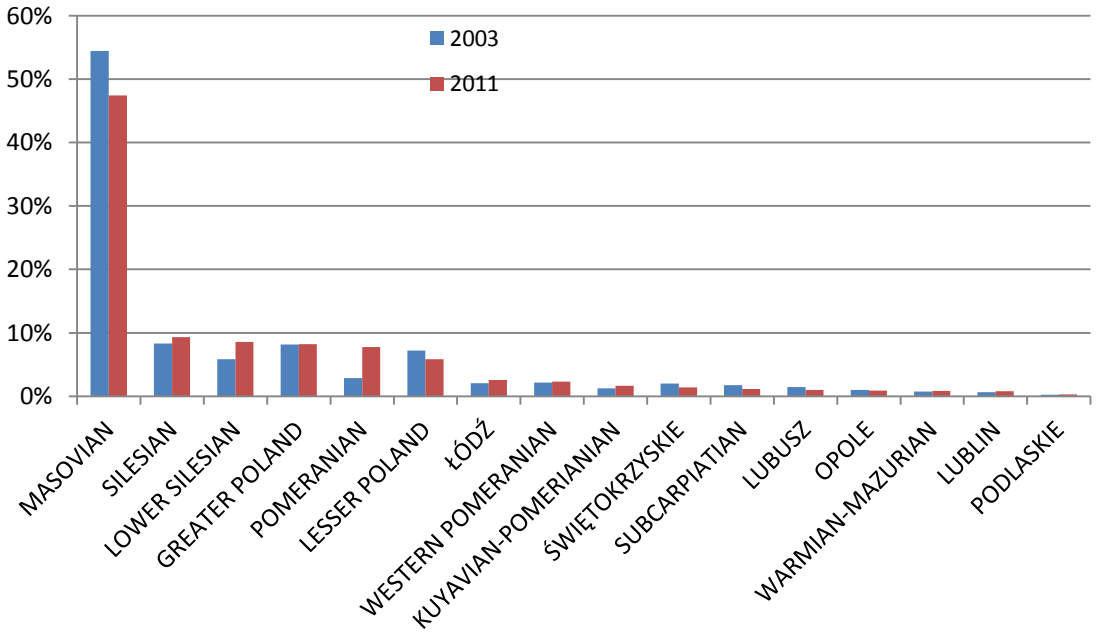
Chart 2. Regional structure of capital in the companies with foreign capital participation in comparison with a share in population



Note: these are the most up-to-date data.
Source: Authors on the basis of the Local Data Bank (downloaded 13 November 2013).

In 2011 Kuyavian-Pomeranian voivodship received only 1.7% of share capital of the companies with foreign capital participation, most of which was foreign capital. This is scarce given a 5% share in the Poland's population. Still, it should be highlighted that in the years 2003-2011 the voivodship improved its competitive rank in terms of foreign direct investments thanks to an increase from 1.2% to 1.66% of the value of share capital of entities with foreign capital participation – see Chart 3.

Chart 3. Regional competitive rank in terms of investments with foreign capital participation according to the value of share capital in the companies with foreign capital participation in 2003 and 2011 (% of total value for Poland)



Source: Authors on the basis of the Local Data Bank (downloaded 13 November 2013).

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

Kuyavian-Pomeranian region is also analysed as a potential localization in comparison to other European regions. When it comes to innovativeness, market and human capital, the voivodship takes the 233rd place of 270 regions (NUTS2 level) which gives it Class E – see Table 2 in the Appendix.

The voivodship has a competitive advantage when it comes to human capital, ranked Class B. Although its position in the ranking is not too high, it may compete with regions such as: **in Slovakia:** Západné Slovensko, Stredné Slovensko, Východné Slovensko; **in Greece**: Sterea Ellada, Dytiki Makedonia, Voreio Aigaio, Peloponnisos; **in Portugal:** Norte, Alentejo, Região Autónoma dos Açores i Centro (PT); **in Hungary**: Dél-Alföld; Észak-Alföld; **in Italy**: Sicilia, Puglia, Basilicata, Calabria; **in Spain**: Puglia, Calabria, Basilicata; **in Bulgaria**: Severoiztochen, Severen tsentralen, Yugoiztochen, Yuzhen tsentralen and Severozapaden; **in Romania**: Vest, Nord-Vest, Centru, Sud-Est, Sud-Vest Oltenia, Nord-Est oraz Sud – Muntenia.

3. Internal diversification of regional investment attractiveness

Counties

The most attractive counties in the voivodship are: Bydgoszcz, Toruń, Grudziądz, Włocławek – see Table 2.

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

Powiat	PAI1_GN	PAI1_GN	PAI1_C	PAI1_G	PAI1_I	PAI1_M
Toruń (city)	0.356	A	A	A	A	A
Bydgoszcz (city)	0.310	A	A	A	C	A
Włocławek (city)	0.310	A	A	B	C	A
Grudziądz (city)	0.301	A	B	B	E	B
Bydgoszcz	0.247	C	C	C	C	C

Source: Authors' own calculations.

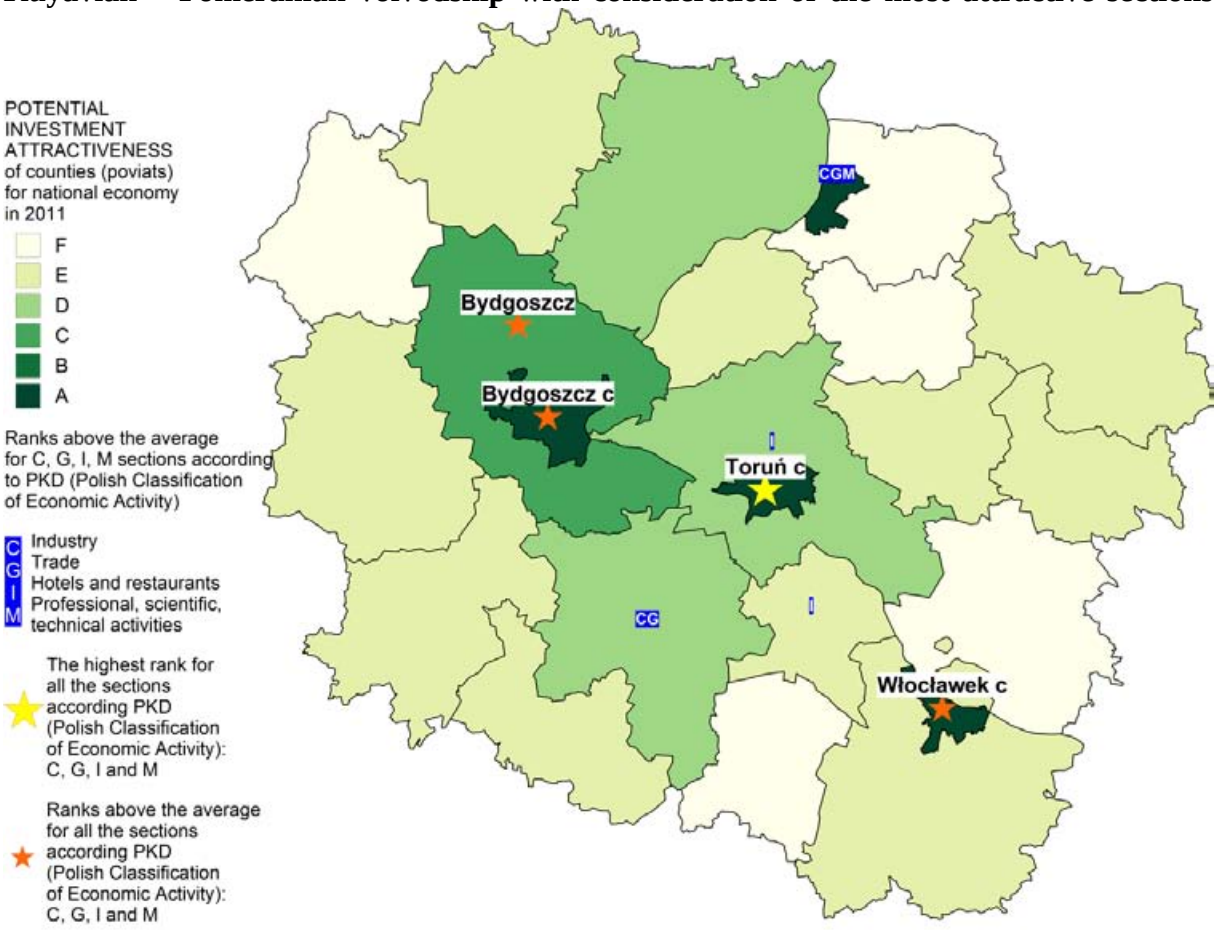
The counties mentioned above (with the exception of Bydgoszcz are characterized by very high investment attractiveness. Toruń (land county) should be distinguished as it was ranked class A in its potential investment attractiveness for all sections of the national economy analysed in this research.

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

- Bydgoszcz, Inowrocław (Class C) for sections C and G,
- Bydgoszcz (city), Włocławek (city), Bydgoszcz, Toruń, Aleksandrów (Class C) for section I and Bydgoszcz M.

Synthetic evaluation of potential investment attractiveness of counties of Kuyavian-Pomeranian voivodship is presented in Chart 4.

Chart 4. Spatial diversification of potential investment attractiveness of counties of Kuyavian – Pomeranian voivodship with consideration of the most attractive sections



Note: "c" stands for city county.
Source: Authors' own materials.

Communes

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

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

Commune	PAI1_GN	PAI1_GN	PAI1_C	PAI1_G	PAI1_I	PAI1_M
Toruń (1)	0.279	A	A	A	A	A
Inowrocław (1)	0.271	A	A	A	C	A
Bydgoszcz (1)	0.256	A	A	A	B	A
Grudziądz (1)	0.254	A	A	A	D	A
Chełmno (1)	0.253	A	A	A	A	A
Chełmża (1)	0.249	A	A	A	D	A
Włocławek (1)	0.248	A	A	A	B	A
Wąbrzeźno (1)	0.243	A	A	A	C	A

Ciechocinek (1)	0.234	A	A	A	A	A
Golub-Dobrzyń (1)	0.233	A	A	A	B	A
Solec Kujawski (3)	0.232	A	A	A	A	A
Osielsko (2)	0.228	A	A	A	A	A
Brodnica (1)	0.226	A	A	A	B	A
Świecie (3)	0.222	A	A	B	A	A
Rypin (1)	0.216	B	B	B	D	A
Wielka Nieszawka (2)	0.214	B	B	C	A	B
Janikowo (3)	0.213	B	B	B	D	B
Aleksandrów Kujawski (1)	0.209	B	B	B	D	A
Radziejów (1)	0.207	B	B	B	E	A
Barcin (3)	0.207	B	B	B	D	B
Kowal (1)	0.206	B	B	C	E	B
Białe Błota (2)	0.204	B	B	C	A	B
Nakło nad Notecią (3)	0.198	B	C	C	D	B

(1) – urban commune, (2) – rural commune, (3) – urban-rural commune
Source: Authors' own calculations.

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

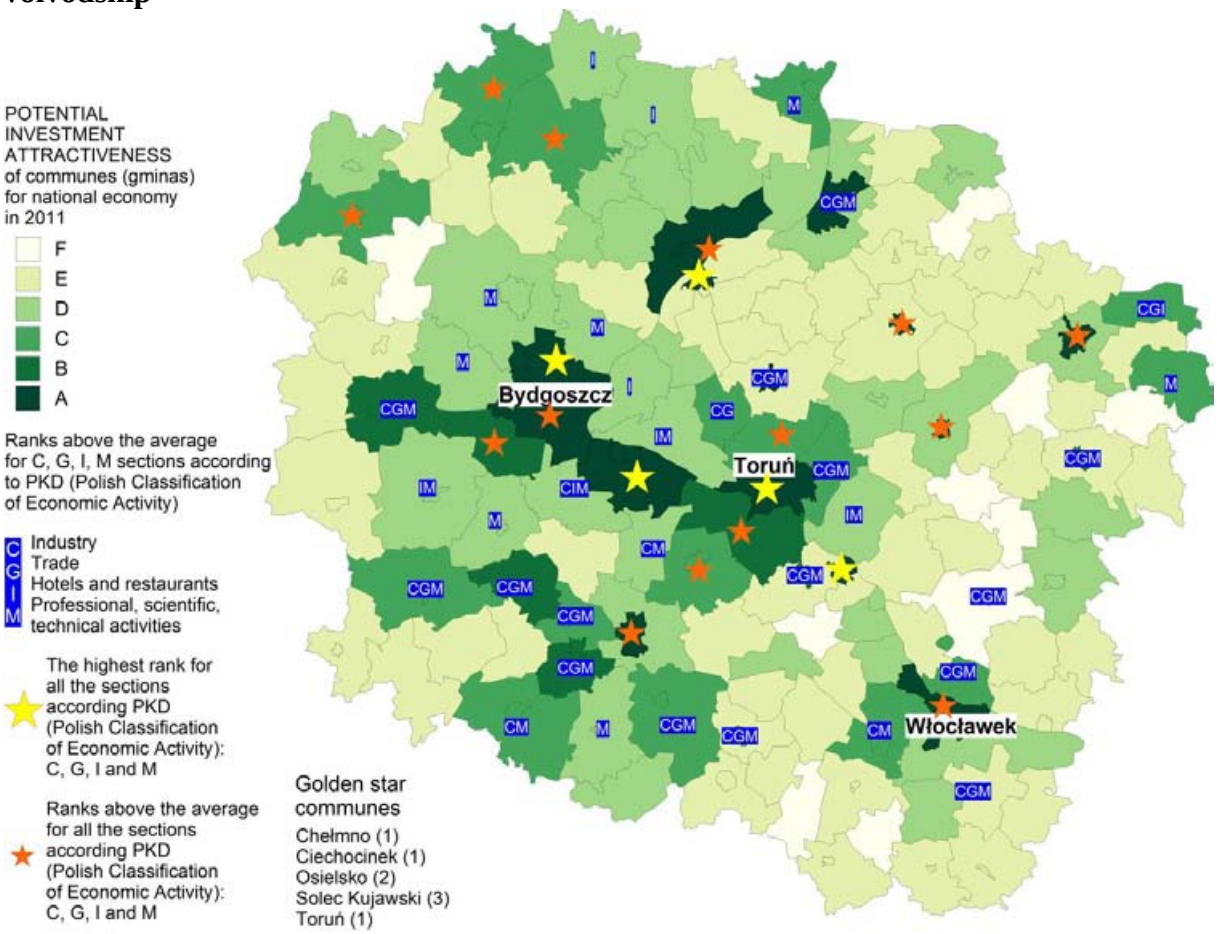
However, this characteristic cannot be found in all of the communes ranked Class C. Only the following communes fulfil this condition: Lidzbark (3), Gołdap (3), Barczewo (3), Biskupiec (3), Gietrzwałd (2) – see Table 3 in the Appendix.

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

- Nowa Wieś Wielka (2), Lubicz (2), Łubianka (2), Brzozie (2), Sępólno Krajeńskie (3), Cekcyn (2), Tuchola (3), Gniewkowo (3), Kruszwica (3), Pakość (3), Rojewo (2), Lipno (1), Mogilno (3), Nakło nad Notecią (3), Brześć Kujawski (3), Fabianki (2), Żnin (3) - for section C,
- Białe Błota (2), Lubicz (2), Łubianka (2), Łysomice (2), Wielka Nieszawka (2), Brzozie (2), Sępólno Krajeńskie (3), Cekcyn (2), Tuchola (3), Gniewkowo (3), Kruszwica (3), Pakość (3), Lipno (1), Nakło nad Notecią (3), Kowal (1), Fabianki (2), Żnin (3) - for section G,
- Dąbrowa Chełmińska (2), Obrowo (2), Zławieś Wielka (2), Sępólno Krajeńskie (3), Osie (2), Cekcyn (2), Śliwice (2), Tuchola (3), Wąbrzeźno (1), Inowrocław (1), Gniewkowo (3), Szubin (3) - for section I,
- Dobrcz (2), Koronowo (3), Nowa Wieś Wielka (2), Sicienko (2), Lubicz (2), Łysomice (2), Obrowo (2), Zławieś Wielka (2), Górzno (3), Sępólno Krajeńskie (3), Nowe (3), Cekcyn (2), Gniewkowo (3), Kruszwica (3), Pakość (3), Rojewo (2), Mogilno (3), Strzelno (3), Szubin (3), Brześć Kujawski (3), Fabianki (2), Łabiszyn (3), Żnin (3) - for section M.

Synthetic evaluation of potential investment attractiveness of communes of Kuyavian-Pomeranian voivodship is presented in Chart 5.

Chart 5. Potential investment attractiveness of communes of Kuyavian-Pomeranian voivodship



Source: Authors' own materials.

4. Voivodship's institutional support for investors and entrepreneurs

The development of business supporting institutions in a region is a vital component of its investment attractiveness. The institutions that support entrepreneurship, pro-investment solutions, research commercialization and enterprises' innovativeness are of special importance. Among the voivodship's business-supporting institutions that influence the voivodship's economic development the following ones should be mentioned (excluding scientific research institutions):

- chambers of commerce: *Izba Przemysłowo-Handlowa Województwa Kujawsko-Pomorskiego* in Bydgoszcz, *Izba Przemysłowo-Handlowa* in Toruń, *Kujawska Izba Przemysłowo-Handlowa* in Włocławek, *Izba Gospodarcza* in Grudziądz, *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,
- associations (including business centres): Regional Innovativeness Centre at the University of Technology and Life Sciences in Bydgoszcz **(***Regionalne Centrum Innowacyjności przy Uniwersytecie Technologiczno-Przyrodniczym im. Jana i Jędrzeja Śniadeckich)* in Bydgoszcz, Polish Economic Society Toruń Branch (*Polskie Towarzystwo Ekonomiczne Oddział w Toruniu), Fundusz Rozwoju Przedsiębiorczości* run by *Polskie Towarzystwo Ekonomiczne* in Bydgoszcz, *Kujawsko-Pomorskie Zrzeszenie Handlu i Usług* in Bydgoszcz, *Kujawsko-Pomorski Związek Pracodawców i Przedsiębiorców* in Bydgoszcz, *Kujawsko-Pomorska Organizacja Pracodawców Lewiatan* in Toruń, *Polska Sieć Aniołów Biznesu PolBAN* in Bydgoszcz (business angels network), *Loża Bydgoska Business Centre Club*, *Loża Toruńska Business Centre Club*, *Studenckie Forum Business Centre Club* in Bydgoszcz, *Studenckie Forum Business Centre Club* in Toruń,
- business incubators: *Akademicki Inkubator Przedsiębiorczości Uniwersytetu Mikołaja Kopernika* in Toruń, *Akademicki Inkubator Przedsiębiorczości przy Wyższej Szkole Gospodarki* in Bydgoszcz, *Akademicki Inkubator Przedsiębiorczości przy Uniwersytecie Technologiczno-Przyrodniczym* in Bydgoszcz, *Akademicki Inkubator Przedsiębiorczości przy Wyższej Szkole Humanistyczno-Ekonomicznej* in Włocławek, *Akademicki Inkubator Przedsiębiorczości przy Wyższej Szkole Bankowej* in Toruń, *Akademicki Inkubator Przedsiębiorczości przy Uniwersytecie Kazimierza Wielkiego* in Bydgoszcz, *Inkubator Przedsiębiorczości przy Regionalnym Centrum Przedsiębiorczości* in Solec Kujawski, *Stowarzyszenie Wspierania Rozwoju Gospodarczego Ziemi Świeckiej „Inkubator Przedsiębiorczości", Włocławski Inkubator Innowacji i Przedsiębiorczości, Akademicki Inkubator Przedsiębiorczości* at *Collegium Medicum* in Bydgoszcz,
- technology parks, science parks, industrial parks: *Bydgoski Park Przemysłowo-Technologiczny*, *Toruński Park Technologiczny*, *Park Przemysłowy* in Solec Kujawski, *Grudziądzki Park Przemysłowy*,
- consulting centres (including personal consulting and agricultural consulting): *Ośrodek Wspierania Przedsiębiorczości i Fundusz Rozwoju Przedsiębiorczości Polskiego Towarzystwa Ekonomicznego* in Bydgoszcz,
- financial institutions (guarantee funds): *Kujawsko-Pomorski Fundusz Pożyczkowy* run by *Kujawsko-Pomorski Fundusz Pożyczkowy Sp. z o.o.* in Toruń, *Fundusz Rozwoju Przedsiębiorczości* run by *Polskie Towarzystwo Ekonomiczne* in Bydgoszcz, *Subregionalny Fundusz Pożyczkowy KUJAWIAK* run by *Polska Fundacja Przedsiębiorczości* Bydgoszcz branch, *Bydgoski Fundusz Poręczeń Kredytowych*, *Grudziądzkie Poręczenia Kredytowe* run by *Grudziądzkie Poręczenia Kredytowe Sp. z o.o.*, *Fundusz Poręczeń Kredytowych* run by *Towarzystwo Rozwoju Gminy Płużnica*, *Toruński Fundusz Poręczeń Kredytowych* run by *Toruński Fundusz Poręczeń Kredytowych Sp. z*

o.o., Kujawsko-Pomorski Fundusz Poręczeń Kredytowych run by *Kujawsko-Pomorski Fundusz Poręczeń Kredytowych Sp. z o.o. in Toruń*,
- others: *Toruńska Agencja Rozwoju Regionalnego S.A., Bydgoski Dom Technika NOT Sp. z o.o., Toruński Dom Technika NOT Sp. z o.o., Rada Toruńska Federacji Stowarzyszeń Naukowo-Technicznych NOT*.

Regional Innovativeness Centre at the University of Technology and Life Sciences in Bydgoszcz *(Regionalne Centrum Innowacyjności przy Uniwersytecie Technologiczno-Przyrodniczym im. Jana i Jędrzeja Śniadeckich w Bydgoszczy)* acts as an intermediary between the researchers and the entrepreneurs by running didactic, training and informative projects. A network of research laboratories at the University units is being created in the fields of technical and life sciences. The network should provide high quality research for businesses. (http://www.utp.edu.pl/uczelnia/regionalne-centrum-innowacyjnosci.html, 30 October 2013)

Academic Business Incubator of Nicolas Copernicus University in Toruń *(Akademicki Inkubator Przedsiębiorczości Uniwersytetu Mikołaja Kopernika w Toruniu).* In the preincubation phase the entrepreneurs, who come from academic environment, can take part in free of charge trainings, use law, tax and accounting consulting services and take support from the experts support (e.g. concerning copyrights) and get information on the sources of financing. In the incubation phase the incubator offers renting office space at university's cost, media access, Internet access, laboratories access, financial and accounting services, legal services and promotion services (though the university website and at the university itself)
(http://www.aip.umk.pl, 30 October 2013)

Bydgoszcz Industrial and Technological Park *(Bydgoski Park Przemysłowo-Technologiczny)* offers estates for investments (to buy or lease). It prepares the sites for investments, including geodetic measurements, hydrogeological ground investigations, infrastructure development. The park 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/, 30 October 2013)

Toruń Technology Park *(Toruński Park Technologiczny)* 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 and minimises operating costs. The park offers broker services organization for entrepreneurs, including cooperation markets and trade missions, helps at looking for business partners and technology transfer (connecting partners). Exea Data Centre is to be opened in 2013 which is a centre of data processing (designed for Cloud Computing solutions use). This should enable the entrepreneurs to use professional infrastructure and software without the need of buying them. (www.technopark.org.pl/, 30 October 2013)

Kuyavian-Pomeranian Loan Fund *(Kujawsko-Pomorski Fundusz Pożyczkowy)* is supporting micro- and small enterprises in external financing access. The aim of the fund is supporting entrepreneurship creation and development and supporting social economy development in Kuyavian-Pomeranian voivodship. Its particular activities concentrate on

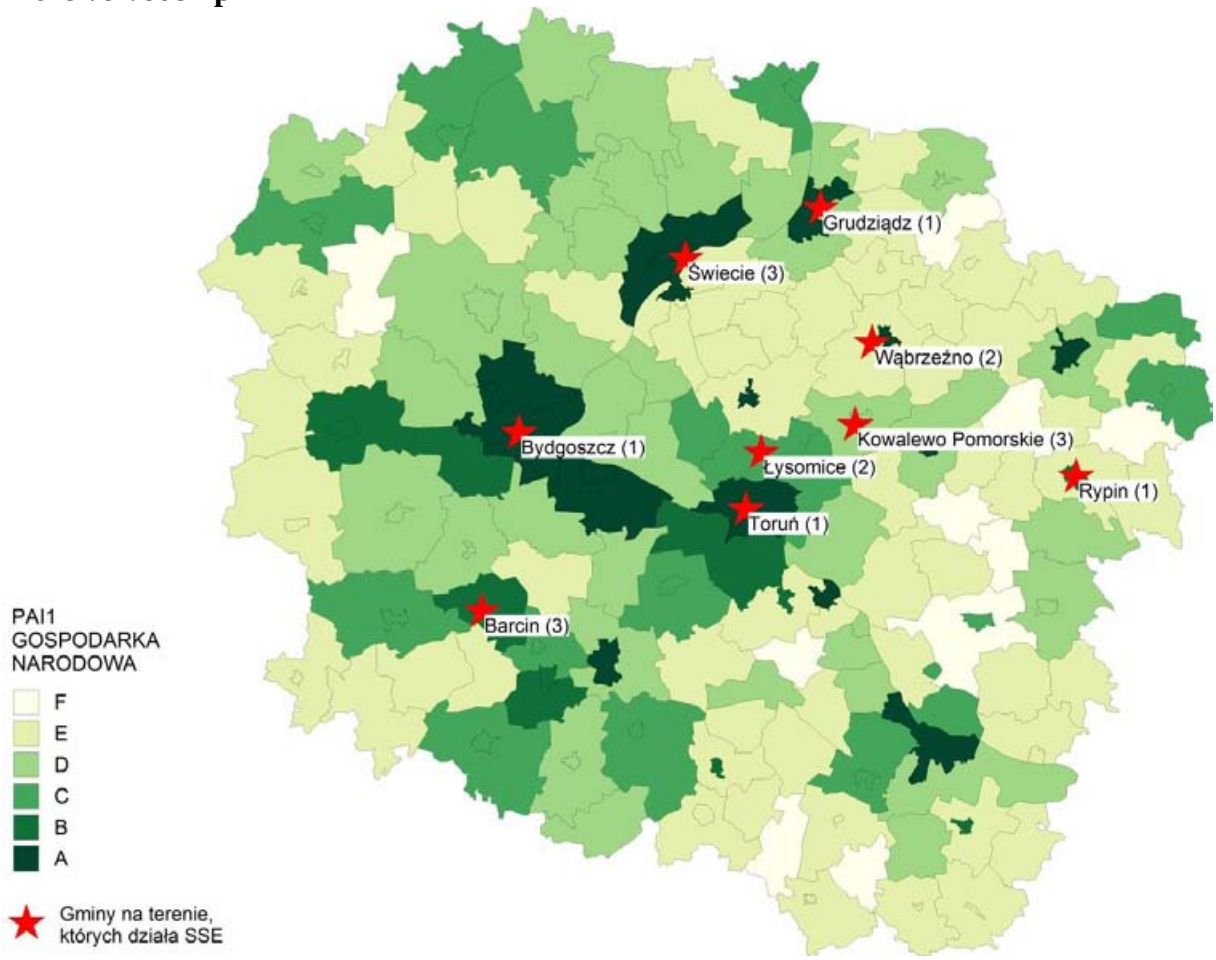
facilitating access to financing, training, consulting, business infrastructure and on supporting cooperation between science and business. Depending on entrepreneurs' needs the fund offers them investment loans, working capital loans, starter loans and microloans. Loan granting procedure is simplified and the interest rate is based on the referential rate set by the European Commission. The fund has been opening information points in the voivodship since its opening (now there are already 30 of them). (http://www.pozyczki.kujawsko-pomorskie.pl/, 30 October 2013)

Toruń Regional Development Agency *(Toruńska Agencja Rozwoju Regionalnego)* offers support for the local entrepreneurs at every stage of their businesses. It supports entrepreneurs and people who want to start their own business by providing them information and consulting services concerning setting up and running a business activity and helps to raise funds for business development. The agency supports and promotes family businesses and their products and services on foreign markets. It looks for international partners for them and helps to establish cooperation. The agency also organizes trainings, seminars and conferences. Toruń Technology Park is one of the projects run within the agency. Another one is the Regional Financing Institution that intermediates in granting funds for new investments with high innovation potential, R&D works, businesses connected with electronic economy and export initiatives. (www.tarr.org.pl, 30.10.2013.)

Special economic zones in Kuyavian-Pomeranian voivodship - effects

Currently there is one special economic zone (SEZ) in Kujawsko-Pomorskie voivodship: Pomeranian Special Economic Zone. At the end of 2012 its subzones were located in the areas of 5 cities and 4 communes (see Chart 6).

Chart 6. The location of subzones of the Pomeranian Special Economic Zone in the voivodship



Note: Red stars indicate communes with SEZ subzones within their areas.
Source: Authors' own materials

The Pomeranian SEZ was created in 2006. Till the end of 2012 the enterprises operating in the Pomeranian SEZ's subzones have invested PLN 2.8 bln in this area which is 3% of all investment outlays in the Polish SEZs. In the same time the enterprises created 2.14 thousand new jobs, which was 2.7% of all new jobs created in the Polish economic zones - see Table 4.

Table 4. Effects of special economic zone functioning at the end of 2012

SEZ / Subzone	County, Commune	Leading industries (at least 20% share of revenue or employment	Cumulated capital expenditure in million PLN (end of 2012)	Jobs number (end of 2012)
Pomeranian/ Łysomice	Toruń, Łysomice (2)	computers, electronic and optical products	836.87	1 160
Pomeranian/Bydgoszcz	Bydgoszcz (city), Bydgoszcz (1)	paper and paper products, fabricated metal products (except machinery and equipment)	74.45	8
Pomeranian/Toruń	Toruń (city), Toruń (1)	no investors yet		
Pomeranian/Kowalewo Pomorskie	Golub-Dobrzyń, Kowalewo Pomorskie (3)	rubber and plastic products	217.90	679
Pomeranian/Świecie	Świecie, Świecie (3)	paper and paper products	1,321.00	89
Pomeranian/Wąbrzeźno	Wąbrzeźno, Wąbrzeźno (2)	machinery and equipment n.e.c.	0.31	
Pomeranian/Grudziądz	Grudziądz (city), Grudziądz (1)	paper and paper products	120.30	138
Pomeranian/Rypin	Rypin, Rypin (1)	no investors yet		
Pomeranian/Barcin	Żnin, Barcin (3)	other non-metallic mineral products	279.17	74

Source: Authors' own calculations based on the Ministry of Economy data.

The most effective was Łysomice subzone that attracted Japanese capital, which invested in electronic industry. The investors in Łysomice subzone are: 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. (former NYK Logistics Polska sp. z o.o)., Nissin Logistics Poland Sp. z o.o., NIPPON EXPRESS GmbH Sp. z o.o., APATOR S.A., MANUFACTURING sp. z o.o. The 179 ha of Łysomice subzone now houses a cluster of Japanese electronics industry companies, called Crystal Park.

The second 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 above mentioned localizations have strong industrial traditions related to the industries concerned and the subzones operating there allowed to strengthen their roles on the

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

According to the Pomeranian SEZ Development Plan, the voivodship intends to acquire the following kinds of investors:

- investors from innovative services sector,
- investors from machine industry,

- investors from electronic industry,
- investors from food processing industry,
- investors from the sectors that should create jobs in branches for which the voivodship has 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 offered by the communal authorities.

The subject of this qualitative research of investment attractiveness is evaluation of the websites and evaluation of e-mail contact with communal authorities in two languages: Polish and English. The effect of this research 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 to provide assistance to the customers. The research is carried out with the use of mystery client method. In this year's edition all communes belonging to Class A and B according to the PAI 2011 index were subject to the evaluation.

As a result 90 communes were distinguished, of which are situated in Kuyavian-Pomeranian voivodship (see Table 5).

Table 5. Communes in Kuyavian-Pomeranian voivodship distinguished as 'A' Communes

Place in the ranking (for the whole country)	Commune	Evaluation of websites (score)	Evaluation of e-mail contact in Polish (score)	Evaluation of e-mail contact in English (score)	Sum
24	Wąbrzeźno (1)	5.5	11.0	9.0	25.5
43	Włocławek (1)	10.0	9.0	4.0	23.0
47	Inowrocław (1)	14.5	3.0	5.0	22.5
84	Bydgoszcz (1)	11.5	5.0	3.0	19.5
85	Grudziądz (1)	8.5	11.0	0.0	19.5

Source: Authors' own materials based on the research.

From this list especially Bydgoszcz, Inowrocław and Wrocław should be distinguished, which offer investors interesting and thorough information on investing conditions in the form of manual or film.

5. Region's strengths and weaknesses

Kuyavian-Pomeranian 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 that influence 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 Table 6.

Table 6. Strengths and weaknesses of Kuyavian-Pomeranian voivodship

Strengths of the region according to the microclimates by the Institute of Enterprise of the Warsaw School of Economics	Weaknesses of the region according to the microclimates by the Institute of Enterprise of the Warsaw School of Economics
National economy	
Microclimate Technical Infrastructure Class C Returns on tangible assets Class A Profitability of enterprises Class C	Microclimate Human Resources Class E Microclimate Social Infrastructure Class F Social Microclimate Class E Market Microclimate Class D Microclimate Administration/Governance Class E Microclimate Innovativeness Class D Productivity of entreprises Class D Self-financing of self-government units Class D Investment outlays Class D
Labour-intensive industry	
	Microclimate Human Resources Class E Microclimate Technical Infrastructure Class D Microclimate Social Infrastructure Class F Social Microclimate Class F Market Microclimate Class D Microclimate Administration/Governance Class F Microclimate Innovativeness Class D Returns on tangible assets Class D Productivity of entreprises Class D Self-financing of self-government units Class D Investment outlays Class E
Capital-intensive industry	
	Microclimate Human Resources Class D Microclimate Technical Infrastructure Class D Microclimate Social Infrastructure Class F Social Microclimate Class D Market Microclimate Class D Microclimate Administration/Governance Class E Returns on tangible assets Class D Productivity of entreprises Class D Self-financing of self-government units Class D Investment outlays Class E

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

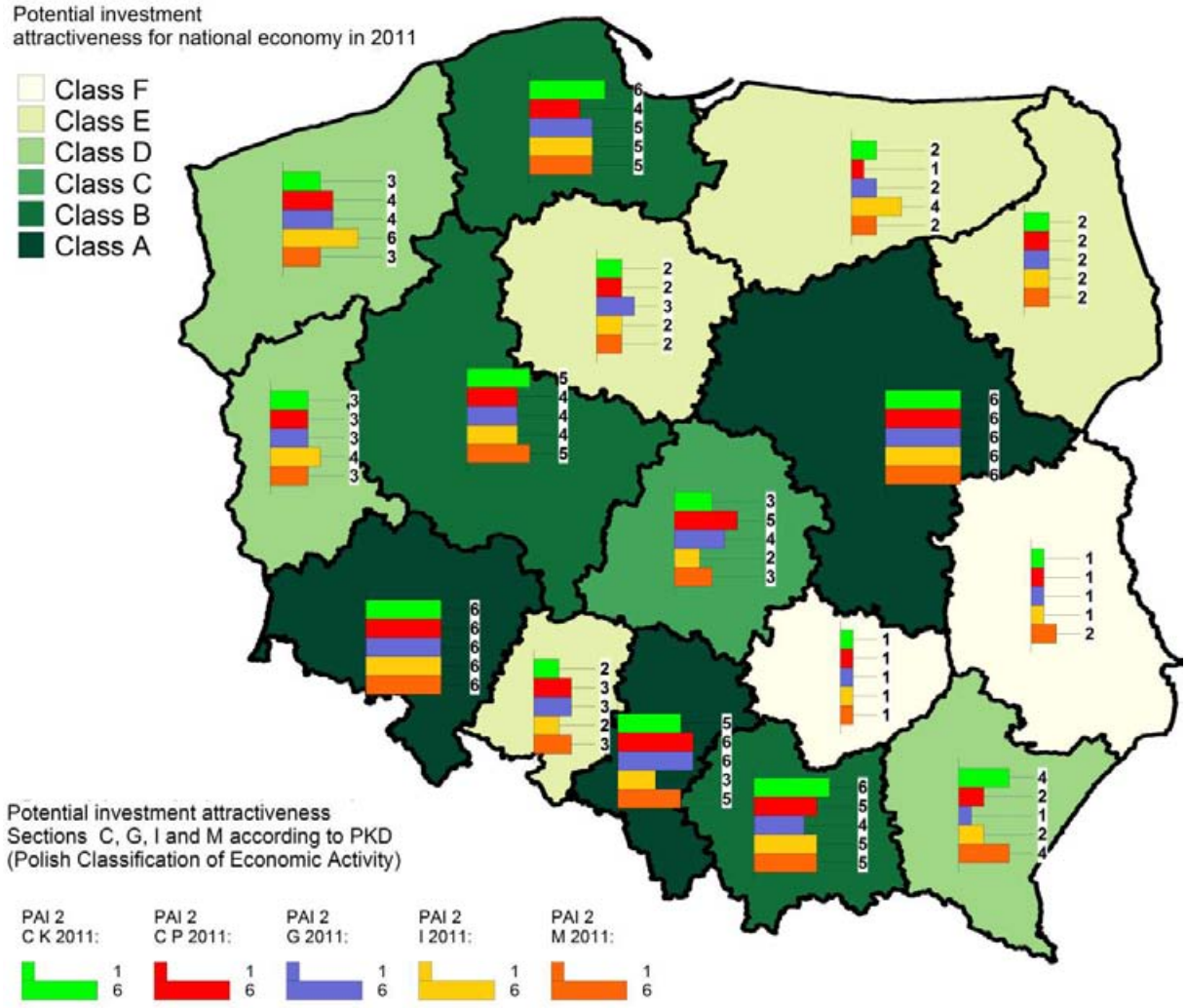
Summary

The engines of economic development of Kuyavian-Pomeranian voivodship are the counties: Bydgoszcz (city), Toruń (city), Grudziądz (city) and Włocławek (city) as well as the special economic zones in the region.

Kuyavian-Pomeranian voivodship has predispositions to **create interregional clusters**, especially in sectors such as: manufacture of paper and paper products, manufacture of fabricated metal products (except machinery and equipment), manufacture of furniture, manufacture of dairy products, manufacture of structural metal products, manufacture of parts and accessories for motor vehicles. It can also develop **intelligent specializations** in the low technology sectors, basing on the competitive big and medium-sized companies, such as: paper and paper products and manufacture of furniture, as well as **knowledge-based services** such as architecture and engineering and technical research and analyses.

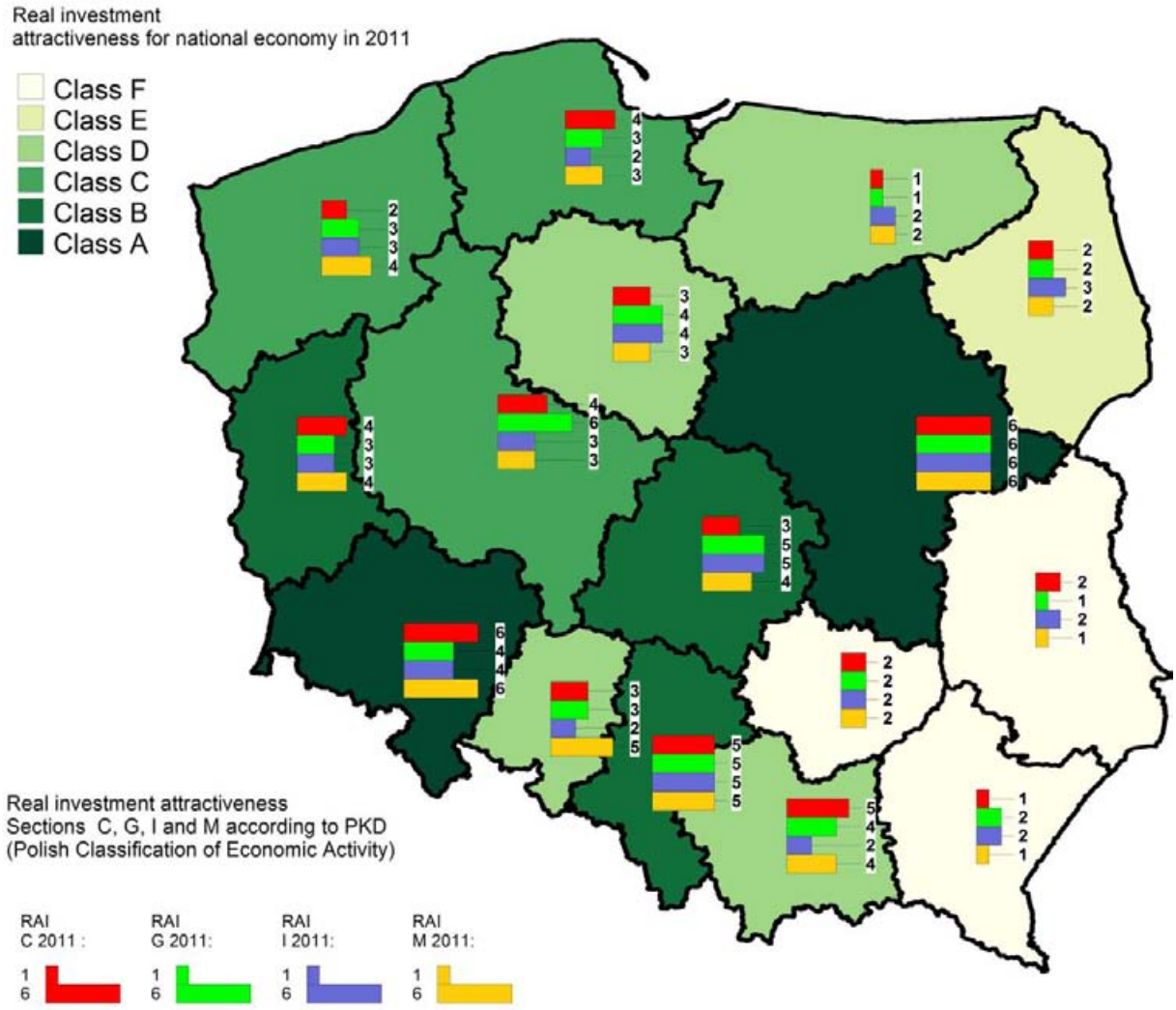
APPENDIX

Chart 1. Potential investment attractiveness of Polish voivodships by basic sections of the national economy



Source: Authors' own materials based on the research.

Chart 2. Real investment attractiveness of Polish voivodships by basic sections of the national economy



Source: Authors' own materials based on the research.

Table 1. List of investment attractiveness indices for voivodships

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

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

Table 2. Potential investment attractiveness of Polish voivodships according to the EU potential investment attractiveness index PAI _UE in 2011

	Microclimate Human Capital	Microclimate Market	Microclimate Innovativeness	Composite index
Lower Silesian	B	D	D	D
Kuyavian-Pomeranian	B	E	F	E
Lublin	B	F	E	F
Lubusz	A	F	E	E
Łódź	A	E	E	E
Lesser Poland	C	E	E	E
Mazovian	A	C	B	B
Opole	C	F	E	F
Subcarpathian	C	F	E	F
Podlaskie	B	F	E	F
Pomeranian	B	D	D	D
Silesian	B	D	E	D
Świętokrzyskie	A	F	F	F
Warmian-Masurian	B	F	E	F
Greater Poland	A	E	E	E

Western Pomeranian	C	E	E	E

Source: Authors' own materials based on calculations of H. Godlewska-Majkowska and M. Czernecki, made in the course of statutory research *Investment attractiveness and enterprise localization in the global economy* (the team: H. Godlewska-Majkowska, Ph.D., university professor at the Warsaw School of Economics – head of research, P. Bartoszczuk, Ph.D., P. Zarębski, Ph.D., M. Typa, M.A., M. Czernecki, M.A.).

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

County	PAI1_GN	PAI1_GN_ Classes	PAI1_C_ Classes	PAI1_G_ Classes	PAI1_I_ Classes	PAI1_M_ Classes
Toruń (city)	0.356	A	A	A	A	A
Bydgoszcz (city)	0.310	A	A	A	C	A
Włocławek (city)	0.310	A	A	B	C	A
Grudziądz (city)	0.301	A	B	B	E	B
Bydgoszcz	0.247	C	C	C	C	C

Source: As in Table 1.

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

Commune	PAI1_GN	PAI1_GN_ Classes	PAI1_C_ Classes	PAI1_G_ Classes	PAI1_I_ Classes	PAI1_M_ Classes
Toruń (1)	0.279	A	A	A	A	A
Inowrocław (1)	0.271	A	A	A	C	A
Bydgoszcz (1)	0.256	A	A	A	B	A
Grudziądz (1)	0.254	A	A	A	D	A
Chełmno (1)	0.253	A	A	A	A	A
Chełmża (1)	0.249	A	A	A	D	A
Włocławek (1)	0.248	A	A	A	B	A
Wąbrzeźno (1)	0.243	A	A	A	C	A
Ciechocinek (1)	0.234	A	A	A	A	A
Golub-Dobrzyń (1)	0.233	A	A	A	B	A
Solec Kujawski (3)	0.232	A	A	A	A	A
Osielsko (2)	0.228	A	A	A	A	A
Brodnica (1)	0.226	A	A	A	B	A
Świecie (3)	0.222	A	A	B	A	A
Rypin (1)	0.216	B	B	B	D	A
Wielka Nieszawka (2)	0.214	B	B	C	A	B
Janikowo (3)	0.213	B	B	B	D	B
Aleksandrów Kujawski (1)	0.209	B	B	B	D	A
Radziejów (1)	0.207	B	B	B	E	A
Barcin (3)	0.207	B	B	B	D	B
Kowal (1)	0.206	B	B	C	E	B
Białe Błota (2)	0.204	B	B	C	A	B
Nakło nad Notecią (3)	0.198	B	C	C	D	B
Lipno (1)	0.197	C	C	C	D	B
Tuchola (3)	0.197	C	C	C	C	B
Łysomice (2)	0.196	C	B	C	B	C
Żnin (3)	0.189	C	C	C	D	C

Kruszwica (3)	0.189	C	C	C	E	C
Fabianki (2)	0.188	C	C	C	D	C
Pakość (3)	0.188	C	C	C	D	C
Mogilno (3)	0.187	C	C	D	E	C
Lubicz (2)	0.187	C	C	C	D	C
Sępólno Krajeńskie (3)	0.185	C	C	C	C	C
Łubianka (2)	0.183	C	C	C	D	D
Gniewkowo (3)	0.182	C	C	C	C	C
Cekcyn (2)	0.180	C	C	C	C	C
Brześć Kujawski (3)	0.180	C	C	D	E	C
Brzozie (2)	0.179	C	C	C	A	E
Nowe (3)	0.179	C	D	D	D	C
Górzno (3)	0.178	C	D	E	D	C

Source: As in Table 1.

Note: All the indices in the report have been calculated on the basis on the most up-to-date data from the Regional Data Bank (RDB), 2013.