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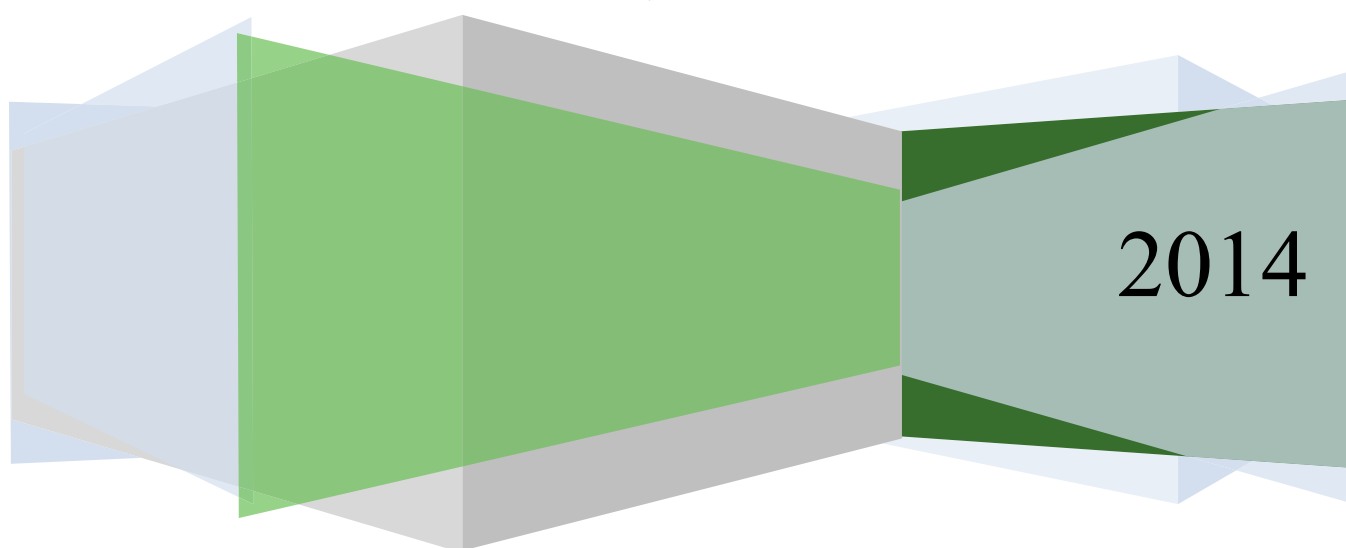


REGIONAL INVESTMENT ATTRACTIVENESS 2014

Lubusz Voivodship

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Polish Information and Foreign Investment Agency (PAIIZ) is a governmental institution and has been servicing investors since 1992. Its mission is to create a positive image of Poland in the world and increase the inflow of foreign direct investments by encouraging international companies to invest in Poland. PAIIZ is a useful partner for foreign entrepreneurs entering the Polish market. The Agency guides investors through all the essential administrative and legal procedures that involve a project. It also provides rapid access to complex information relating to legal and business matters regarding investments. Moreover, it helps in finding the appropriate partners and suppliers together with new locations.

PAIIZ provides free of charge professional advisory services for investors, including:

- investment site selection in Poland,
- tailor-made investors visits to Poland,
- information on legal and economic environment,
- information on available investment incentives,
- facilitating contacts with central and local authorities,
- identification of suppliers and contractors,
- care of existing investors (support of reinvestments in Poland).

Besides the **OECD National Contact Point**, PAIIZ also maintains an Information Point for companies which are interested in European Funds. All of the Agency's activities are supported by the **Regional Investor Assistance Centres**. Thanks to the training and ongoing support of the Agency, the Centres provide complex professional services for investors at voivodship level.

On the website **www.paiz.gov.pl** an investor can find all the necessary information concerning key facts about Poland, Polish economy, legal regulations in Poland and detailed information which could be useful for any company wanting to set up a business in Poland.

Since 2011 China – Poland Economic Cooperation Centre operates in PAIIZ as a "one-stop shop" providing comprehensive information on investment opportunities in Poland and offering support for Chinese companies during the investment process. The Centre is responsible for: promotion of Poland as a location for FDI, identifying sources of foreign direct investment, supporting the missions and delegations from China, preparing analysis & information, maintaining regular contact with Chinese companies operating in Poland, Go China Project. More information you can find on: **www.gochina.gov.pl**.

Also since 2013 PAIIZ is implementing the **“Go Africa”** program. Its aim is to encourage Polish entrepreneurs to enter the African markets and to promote Poland in Africa. Therefore PAIIZ is organizing: fact finding missions to African countries, participation of Polish entrepreneurs in fairs, conferences, seminars and workshops both in Poland and in Africa. Furthermore the Agency is preparing publications on African markets. More information you can find on: **www.goafrica.gov.pl**.

INTRODUCTION

The report has been prepared to order of the Polish Information and Foreign Investment Agency and is the next edition of the regional investment attractiveness reports. The reports have been published since 2008. They are the result of scientific research conducted since 2002 under the supervision of H. Godlewska-Majkowska, Ph.D., university professor of the Warsaw School of Economics, in the Institute of Enterprise, Collegium of Business Administration of the Warsaw School of Economics. All the authors are the core members of a team that develops methodology of calculating regional investment attractiveness.

The report consists of a few parts. The first part includes the synthetic presentation of the voivodship's economy, including social-economic potential of the voivodship and the level of economic development as well as economy structure. The most important socio-economic data, including information on investment attractiveness, is presented in a table. The first part of the report also presents the position of the voivodship compared to other Polish and European Union regions, paying special attention to the most important industries and high potential sectors.

The second part of the report presents internal diversification of voivodship's investment attractiveness at the levels of counties (Polish: *county*) and communes (Polish: *gmina*). The results of the investment attractiveness calculations for Lubusz voivodship's territorial units can be compared to the other territorial units from all of the Polish regions as the calculations have been made for all of them.

In the third part of the report the main business environment institutions in the voivodship are presented, taking into consideration kinds of support which they offer to investors. This part also includes information on location of the Special Economic Zones (SEZs) in the voivodship and information on the results of their activities. The third part of the report is completed by the presentation of the results of the 'A' Commune ranking. The ranking made it possible to point out such communes that are not only attractive for potential investors but also offer them well-prepared information on the Internet.

The report is completed with the Appendix including tables with comparisons of investment attractiveness indices for voivodship's counties and communes. There is also some more detailed information in the Appendix concerning effects of functioning of the Special Economic Zones in the region.

There are two approaches to the investment attractiveness presented in this work. One of them is **potential investment attractiveness**, defined as a set of regional location advantages that influence achieving investors' goals (such as costs of running a business, sales revenues, net return on investment and investment's competitiveness).

Another approach is **real investment attractiveness**, defined as region's ability to create investor's satisfaction and influence absorption of financial and physical capital in form of investments. They can be measured by effectiveness of capital spending.¹

Potential investment attractiveness indices in their simplified version (PAI1) measure the location-specific advantages of regions. 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 indices refer to the whole national economy and to the selected sections: C – manufacturing industry, G – trade and repair, I – tourism and catering, M – professional, scientific and technical services. These sections are the core of the national economy.

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.

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. Real investment attractiveness can be calculated for voivodships, based on the statistical data available on the regional level.

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 Institute of Enterprise at the Warsaw School of Economics (<http://kolegia.sgh.waw.pl/pl/KNoP/struktura/IP/struktura/ZOB/>), as well as in numerous scientific publications and expert opinions.

1. More information on this topic can be found in: *Atrakcyjność inwestycyjna regionów Polski jako źródło przedsiębiorczych przewag konkurencyjnych*, H. Godlewska-Majkowska (ed.), Studia i Analizy Instytutu Przedsiębiorstwa, Oficyna Wydawnicza SGH, Warszawa 2012; H. Godlewska-Majkowska, *Polish regions and their investment attractiveness in the EU*, in: POLAND Competitiveness Report 2013. National and Regional Dimensions, M. Weresa (ed.), Oficyna Wydawnicza SGH, Warsaw 2013, pp 299-316.

1. THE PROFILE OF REGIONAL ECONOMY OF LUBUSZ (LUBUSKIE) VOIVODSHIP

Lubusz (Lubuskie) voivodship is situated in central-western Poland. It borders Germany, which facilitates international economic cooperation. Fourteen border crossings and the membership of the Pro Europe Viadrina Euroregion and Spree-Neisse-Bober Euroregion create good conditions for economic cooperation. The main socio-economic and administrative centres are Gorzów Wielkopolski, the seat of governmental administration, and Zielona Góra, the seat of self-governmental authorities.

The advantages of the voivodship include:

- a highly beneficial geopolitical location at the Western border, which allows to access attractive sales markets of Germany and other Western Europe countries,
- a beneficial location on an international traffic route, i.e. pan-European corridor East-West, which enables access to the foreign markets,
- a very well-developed regional communications network – both roads and railways, well-developed near-border infrastructure,
- a well-developed network of water transport (the Oder system enables to ship by barges from Lower Silesia to the port complex of Szczecin-Świnoujście and through the Oder-Spree and Oder-Havel channels Lower Silesia is connected to the system of inland waterways of Western Europe),
- very good access to the Internet (in this respect the voivodship belongs to the highest rated regions in Poland),
- voivodship's activity in Euroregions; what particularly distinguishes the Lubusz Land is the transborder location of international Viadrina University offering among others the following courses of study: management, international management, economics, international business administration, German law, German-Polish law, cultural studies,
- a high forest cover, tourist attractions (especially Muskauer Park in Łęknica commune, a UNESCO World Heritage site) as well as numerous lakes, all conducive to the development of tourism,
- good conditions of the development of industry thanks to the presence of higher education institutions offering technical courses of studies and attractive investment offers from special economic zones.

The general characteristics of the Lubusz voivodship are presented in Table 1.

Table 1. General characteristics of the economy of Lubusz voivodship

Feature	Lubusz voivodship	Poland	Share [%]
Market Potential			
GDP per capita 2012 (PLN/person)	34282.0	41439.1	-
Population (persons) on 31 December 2013	1021470	38495659	2.7%
Human Resources Potential			
Higher education institutions graduates (persons) in 2013	5996	454986	1.3%
Secondary schools graduates (persons) in 2013	6417	271333	2.4%
Number of employed persons in 2013	405	15568	2.6%
Structure of employed persons in 2013	agriculture 8.7% industry 33.2% services 58.1%	12.0% 30.5% 57.5%	
Investment outlays and capital of companies with foreign capital participation in the voivodship			
Investment outlays (PLN m) in 2012	605.9	79942.6	0.8%
Capital of companies (PLN n) in 2012	1958.1	206992.3	0.9%
Special Economic Zones (SEZs) in the voivodship*			
– Kostrzyn-Słubice – Wałbrzych			
Distinguishing investment attractiveness ratings PAI_2 and RAI (class A, B and C)			
Potential investment attractiveness PAI_2			
Real investment attractiveness RAI		National economy class C Industry class C	
Counties and communes distinguished according to the Potential Attractiveness Index for the national economy (PAI1_GN)			
Counties	Class A	city of Zielona Góra, city of Gorzów Wielkopolski	
	Class B		
Communes	Class A	Zielona Góra (u), Gorzów Wielkopolski (u), Nowa Sól (u), Żary (u), Kostrzyn nad Odrą (u), Gubin (u), Żagań (u), Łęknica (u), Słubice (u-r)	
	Class B	Lubrza (r), Kłodawa (r), Zielona Góra (r), Babimost (u-r), Sulechów (u-r), Zbąszynek (u-r), Świebodzin (u-r), Skwierzyna (u-r), Wschowa (u-r)	

Additional information: (u) – urban commune, (r) – rural commune, (u-r) – urban-rural commune.

PAI – potential investment attractiveness, RAI – real investment attractiveness

* For more information see Table 3 in the Appendix.

Source: Authors' own calculations.

The number of inhabitants of the voivodship amounts to 1021470 (as of 2013), which is 2.7% of the population of Poland. The age structure in the voivodship in 2013 was as follows: 18.4% of the population at pre-productive age, 64.4% at productive age and 17.2% at post-productive age (for Poland it was 18.2%, 63.4% and 18.4% respectively).

The main potential for human capital creation in the voivodship lies in 8 higher education institutions in which there are 19000 students studying, which makes up 1.2% of all students in Poland. Moreover, 3.1% of the secondary school students in the voivodship attend vocational schools and 2.9% attend technical schools.

The registered unemployment rate in the voivodship amounted to 13.1% in August 2014, compared to 11.7% in Poland. The average monthly gross wages and salaries in enterprises sector in the first half-year of 2014 amounted to PLN 3293.5, which is 94% of the average for Poland.

In 2012 Lubusz voivodship made a contribution of 2.2% to the GDP of Poland. Calculated per capita, it amounted to PLN 34282.0 with the average for Poland PLN 41439.1. With this result the voivodship takes the 9th place in the country. The GDP growth rate in the voivodship in the years 2003-2012 amounted to 181.9% while the average for Poland amounted to 189.2%.

The structure of employment in the voivodship is characterised by a relatively high share of the service sector (58.1%) whereas shares of the agricultural and industrial sectors are respectively 8.7% and 33.2% (Central Statistical Office, Local Data Bank 2014).

In the structure of voivodship's industry important role is played by: manufacture of motor vehicles, trailers and semi-trailers (excluding motorcycles) (16% of sold production of the whole voivodship's industry at the end of 2013), manufacture of wood, wood and cork products, except furniture; articles of straw and plaiting materials (14%), manufacture of food products (10%), manufacture of paper and paper products (9%).

The region is the main manufacturer of wood, wood and cork products, except furniture (13% of sold production of the whole voivodship's industry at the end of 2013), leather and leather products (10%).

When it comes to most of the above-mentioned sectors, the voivodship improved its competitive position within the last three years (measured by its share in the country's sold production)². It applies to the following sectors:

- manufacture of leather and leather products,
- manufacture of fabricated metal products (except machinery and equipment),
- manufacture of furniture,
- manufacture of motor vehicles trailers and semi-trailers (excluding motorcycles).

The information on sectors that are found as strategic by the region's authorities can be important for the investors. The voivodship's strategic sectors mentioned in the strategy of regional development include above all: wood pulp and paper, wood, electronic, food, glass, construction ceramics, machines and biotechnology.

For the entrepreneurs willing to invest in Lubusz voivodship the list of the high potential sectors may be a good hint. The list was prepared by the Polish Information and Foreign Investment Agency in cooperation with the Lubusz voivodship self-government, based on the observations on investments inflows to the voivodship. The high potential sectors on the list include automotive industry and electronics, timber industry, food industry and glass industry.

Investments of this kind can be located on preferential conditions in the specially prepared places in the Special Economic Zones: **Kostrzyn-Słubice SEZ and Wałbrzych SEZ, in the following subzones:**

- **Kostrzyn-Słubice SEZ, subbzones:** Bytom Odrzański (u-r), Czerwieńsk (u-r), Dobiegniew (u-r), Gorzów Wielkopolski (u), Gubin (u), Gubin (r), Kargowa (u-r), Kostrzyn nad Odrą (u), Kożuchów (u-r), Lubsko (u-r), Międzyrzecz (u-r), Nowa Sól (u), Rzepin (u-r), Skwierzyna (u-r), Słubice (u-r), Sulęcín (u-r), Zielona Góra (u), Zielona Góra (r),
- **Wałbrzych SEZ, subzone:** Szprotawa (u-r).

In the all above-mentioned locations investors can benefit from tax allowances amounting to 35% - 55%, depending on the enterprise size – more information can be found on http://www.paiz.gov.pl/investment_support/investment_incentives_in_SEZ.

² Calculations based on the Statistic Bulletin of the Lubusz Voivodship from the 1st quarter of 2014 and Statistical Bulletin, I quarter of 2014, www.stat.gov.pl (10 November 2014). A change of 0.25 percentage point was considered as maintaining competitive position.

2. REGION'S RANK IN TERMS OF INVESTMENT ATTRACTIVENESS IN POLAND AND IN THE EUROPEAN UNION

Lubusz voivodship has good economic effects of investments, especially industrial investments, which is indicated by a relatively high rank (class C) according to the main potential investment attractiveness indices calculated for the national economy and industry.

Based on the methodology prepared by the team of the Enterprise Institute while conducting statutory research in Collegium of Business Administration at the Warsaw School of Economics, calculations of European regions' investment attractiveness have been made for two years. They are based on measurements of attractiveness of human resources, market and innovativeness.³ However, due to different methodology of research and variables taken into account in Poland and EU, results of research are incomparable. This is because not all data are available for voivodships, communes and counties, e.g. not all regions collect current information about the infrastructure.

Compared to the EU regions, the voivodship took 222nd place of 270 regions, for whom the indices were calculated. However, compared to the previous year, the voivodship increased its position by 15 places. Although the investment attractiveness of the voivodship is relatively low, Lubusz voivodship has a competitive advantage, when it comes to human capital microclimate, ranked class A, at the 11th place among all the EU regions.

It is worth mentioning that the voivodship is more attractive than EU regions such as:

- **in Bulgaria:** Severoiztochen, Yugoiztochen, Severen tsentralen, Yuzhen tsentralen, Severozapaden;
- **in Greece:** Kentriki Makedonia, Kriti, Notio Aigaio, Thessalia, Ipeiros, Dytiki Ellada, Sterea Ellada, Ionia Nisia, Dytiki Makedonia, Voreio Aigaio, Peloponnisos, Anatoliki Makedonia, Thraki;
- **in Spain:** Castilla-La Mancha, Región de Murcia, Extremadura;
- **in Portugal:** Norte, Alentejo, Região Autónoma dos Açores, Centro;
- **in Romania:** Vest, Nord-Vest, Centru, Sud-Est, Nord-Est, Sud-Vest Oltenia, Sud - Muntenia;
- **in Slovakia:** Východné Slovensko;
- **in Hungary:** Dél-Dunántúl, Észak-Magyarország, Dél-Alföld, Észak-Alföld;
- **in Italy:** Molise, Sardegna, Sicilia, Puglia, Calabria, Basilicata.

³ More on this topic: *Atrakcyjność inwestycyjna regionów Polski na tle Unii Europejskiej*, edited by H. Godlewska-Majkowska, Oficyna Wydawnicza SGH, Warsaw 2014 and <http://kolegia.sgh.waw.pl/pl/KNoP/struktura/IP/struktura/ZOB/>

3. INTERNAL DIVERSIFICATION OF REGIONAL INVESTMENT ATTRACTIVENESS

Investment attractiveness of the particular administrative units in the voivodship is the result of how investors assess conditions of conducting business that are important for them. These conditions include labour market, technical infrastructure, market and natural conditions.

Labour market assessment gives investor the information on opportunities to recruit the right employees for their companies and labour surpluses or shortages, which indirectly influences costs of hiring workers.

Technical infrastructure assessment allows entrepreneurs to plan their investments that need preparing of investment plot equipped with the basic technical elements such as water, gas and electric installations and environment protection equipment such as sewage farms.

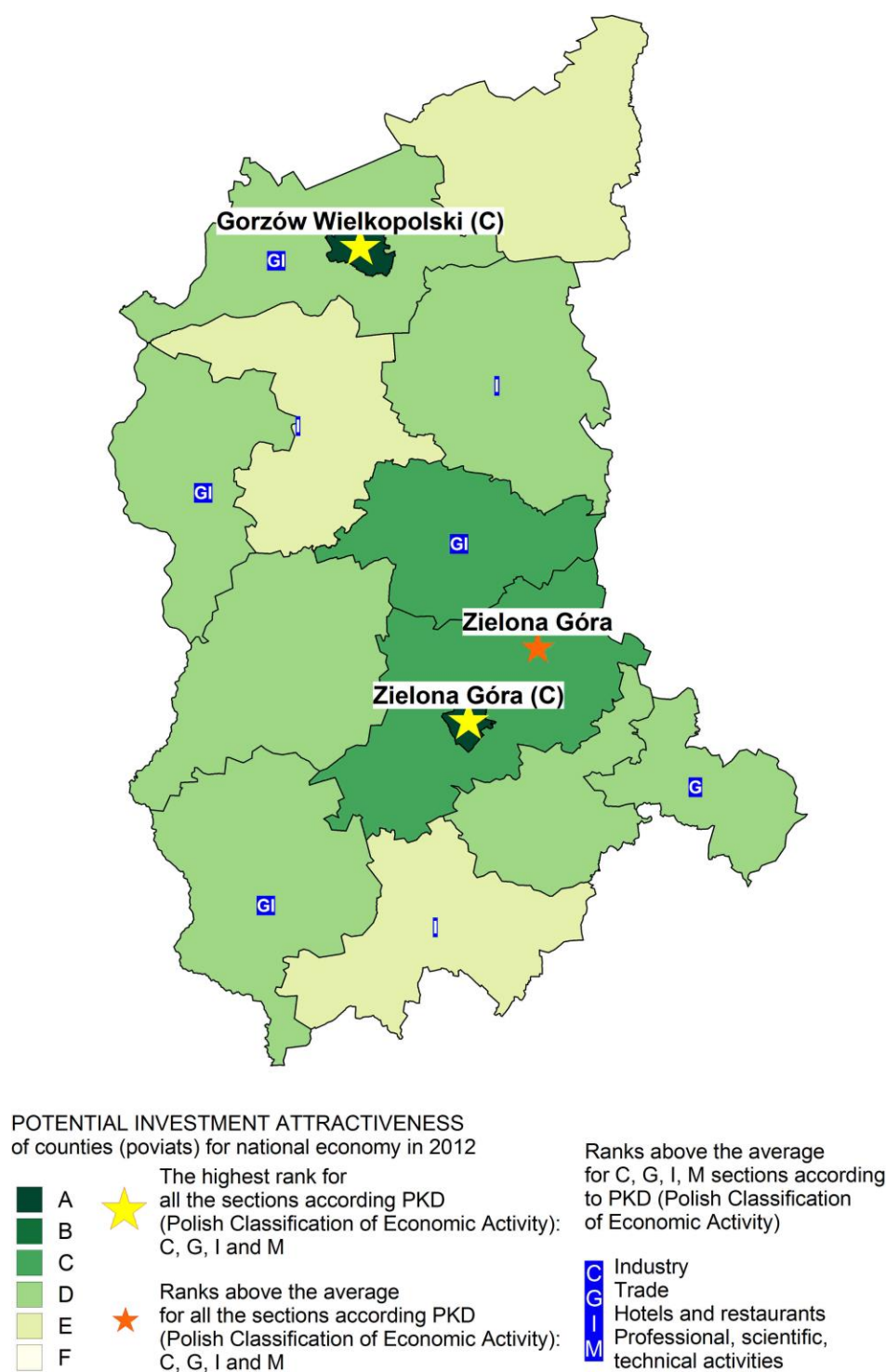
Social infrastructure is rated as equipment of a place where the investment is to be located with facilities influencing citizens' life quality and human resources development. These facilities provide the citizens with access to education, healthcare, sports and recreation facilities or information technologies such as Internet.

Market conditions informs on market absorptive power that means the number of potential customers and indirectly on their wealth that means ability to buy goods and services. Environment conditions were rated as they are a basic factor influencing tourism development and citizens' life quality.

The composite assessment of all the above-mentioned elements in particular counties or communes shows spatial differentiation of investment attractiveness in the voivodship. What is more, calculations for particular sectors of economy are presented such as industry, trade and modern services connected with professional, scientific and technical activities are presented (Chart 3 and Chart 4). The distinguished locations presented on the map are marked with stars that indicate highest marks for the above-mentioned areas of conducting business.

An **orange star** means that a county or a commune was rated above average in all the sections analysed (national economy, industry, trade, tourism and professional services) and the **golden star** is the highest distinction and means that all the rated sections in a particular commune or county were ranked at the highest level.

Chart 3. Potential investment attractiveness of counties of Lubusz voivodship, considering the most attractive sections

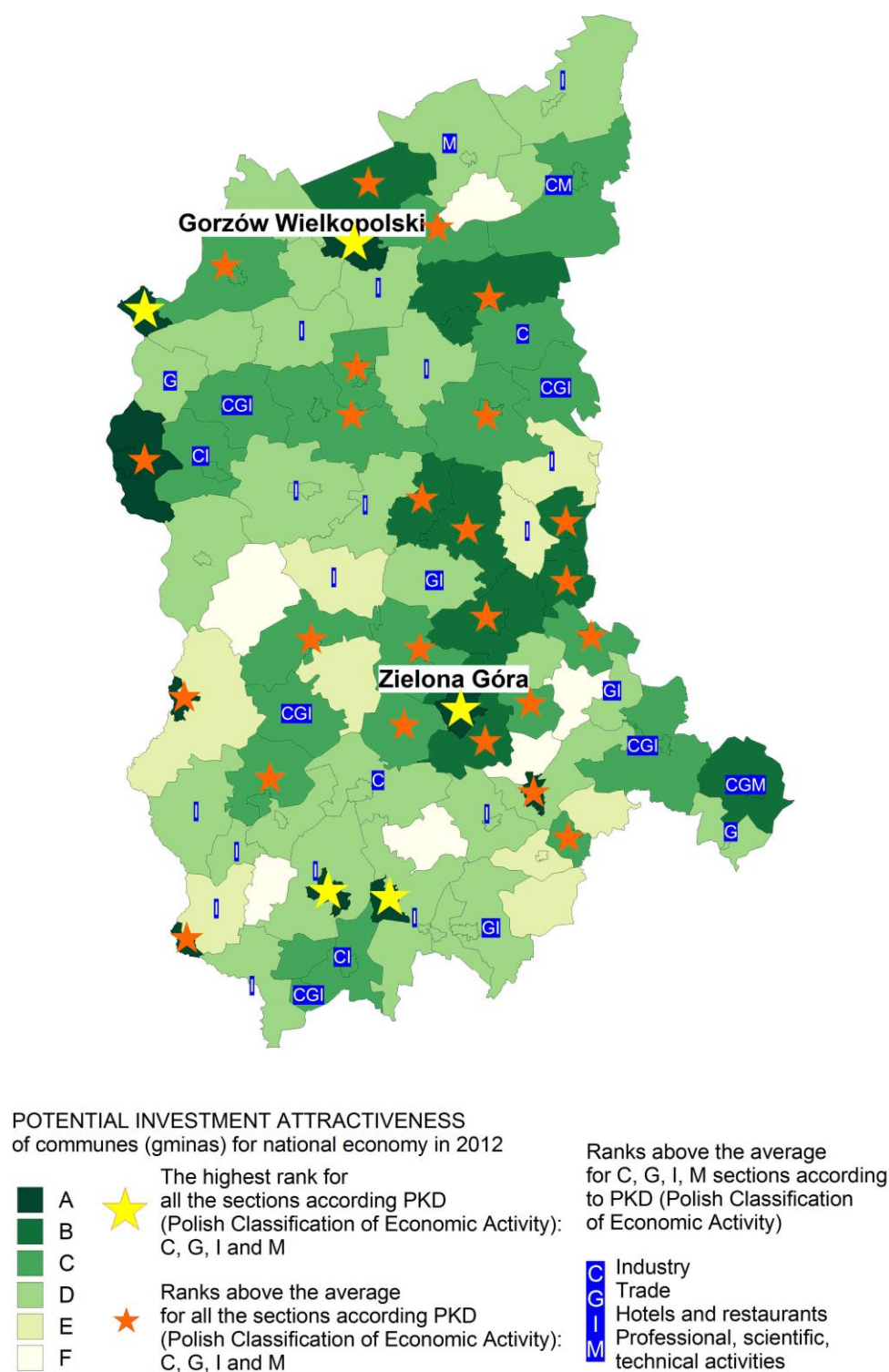


Golden star counties:

Gorzów Wielkopolski, Zielona Góra

Source: Authors' own work.

Chart 4. Potential investment attractiveness of communes of Lubusz voivodship, considering the most attractive sections



Golden star communes:

Gorzów Wielkopolski (u), Kostrzyn nad Odrą (u), Zielona Góra (u), Żagań (u), Żary (u)

Source: Authors' own work

When it comes to counties, the highest ranked city counties were city of Gorzów Wielkopolski and city of Zielona Góra and when it comes to land counties, the highest ranked was (distinguished with an orange star) Zielona Góra.

When it comes to urban communes, the highest ranked of them were:

- **distinguished with a golden star:** Gorzów Wielkopolski (u), Kostrzyn nad Odrą (u), Zielona Góra (u), Żagań (u), Żary (u) and
- **distinguished with an orange star:** Gubin (u), Łęknica (u) and Nowa Sól (u).

Among rural communes the highest rank communes include:

- **golden star communes:** Kłodawa (r), Lubrza (r), Santok (r), Świdnica (r), Zabór (r) and Zielona Góra (r).

Among urban-rural communes the highest rank communes include:

- **golden star communes:** Babimost (u-r), Bytom Odrzański (u-r), Czerwieńsk (u-r), Kargowa (u-r), Krosno Odrzańskie (u-r), Lubniewice (u-r), Lubsko (u-r), Międzyrzecz (u-r), Skwierzyna (u-r), Słubice (u-r), Sulechów (u-r), Sulęcín (u-r), Świebodzin (u-r), Witnica (u-r) and Zbąszynek (u-r).

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.

4.1. BUSINESS ENVIRONMENT INSTITUTIONS

Among business environment institutions (excluding R&D institutions) that influence region's economic development are: chambers of commerce, associations, business incubators, technology parks, technology transfer centres, consulting centres, financial institutions and development agencies.

For the investors especially important is a system of regional Investor Assistance Centres set up by the Polish Information and Foreign Investment Agency in consultation with voivodships' marshals to ensure complex services for investors in each voivodship.

In Lubusz voivodship such centre is:

the Investor Assistance Centre operating within

Marshal's Office of Lubusz Voivodship

<http://www.coi-lubuskie.pl>



Lubusz Assistance Services Centre is a partner of the Polish Information and Foreign Investment Agency and a one stop shop: a source of regional information that are useful for investors, legal acts, investment offers and current data on region's economy. The personnel of the centre have qualifications to offer services for investors and are working according to the standards set by the Polish Information and Foreign Direct Investment Agency, which offers it substantive help and trainings.

An important tool supporting investors are the Special Economic Zones, which are described in the further part of this report.

Below some chosen business environment institutions are presented that operate for entrepreneurship development by supporting development of new technologies and cooperation of enterprises.

These institutions are among others:

Business Centre Ltd. in Zielona Góra (*Centrum Biznesu Spółka z o. o. w Zielonej Górze*) (<http://www.centrumbiznesu.zgo.pl>)

Business Centre is a company owned by the city of Zielona Góra. Its aim is promotion both of the city and the region and effective services for business institutions. The centre's offer includes renting of office, trade and storage space in a building located in the centre of the city. The company has at its disposition infrastructure enabling to organize meetings, conferences, trainings and outdoor meetings.

Lubuski Industrial and Technology Park (*Lubuski Park Przemysłowo – Technologiczny Sp. z o.o.*) (www.lppt.pl)

The park consists of two complexes: Zielona Góra University Industrial and Technology Park and Industrial Park having status of a Special Economic Zone. The park should enable transfer of research results, modern technologies and innovations from science to economy. The area of the park is planned to house production investments, warehouses and services estates.

Zielona Góra University Science and Technology Park in Nowy Kisielin (*Park Naukowo-Technologiczny Uniwersytetu Zielonogórskiego w Nowym Kisielinie*) (www.pnt.uz.zgora.pl)

The park has been operating from 20 October 2014. Its main tasks are making use of scientific research results into business and social practise in the region, creating new technologies and modernization of existing technologies based on technology works and trials led in the park with the use of its professional equipment, supporting technology transfer and promoting innovativeness, supporting creation and development of small and medium technology enterprises. Within the park there are Scientific Centres operating together with the laboratories: Centre of Sustainable Construction and Energy, Innovation Centre 'Technologies for Human Health', Centre of Information Technologies, Logistic Centre and Platforms for Development of Science and Economy. There is also a business incubator operating in the park.

INTERIOR Technology Park in Nowa Sól (*Park Technologiczny INTERIOR w Nowej Soli*) (<http://www.interiorns.pl/>)

The park supports entrepreneurship by creating a platform for cooperation of industry, science and business environment and creating favourable conditions for creation of new innovative enterprises. Park's residents are companies from electric industry, IT, production and environment protection. The park offers educational services (trainings and consulting), office, conference and storage space, laboratory services (Teleinformatics Laboratory, Laboratory of Corrosion Research, Meteorological Laboratory, Metal Laboratory, Data Centre).

Gorzów Technology Centre Science and Industry Park (*Gorzowski Ośrodek Technologiczny Park Naukowo-Przemysłowy Sp. z o.o.*) (<http://gotechnology.pl> 0 website under construction, (<http://www.zgora.pios.gov.pl>)

The leader and the majority shareholder in the park Zakład Utylizacji Odpadów Sp. z o.o. (waste disposal plant). The main area of the park's specialization are projects connected with environmental technologies including i.a. alternative sources of energy, waste recovery and waste treatment. The park also concentrates on commercialization of innovative environmental technologies coming both from R&D institutions and entrepreneurs, building professional research and measurement infrastructure for industrial companies from the region, training personnel for current and future entrepreneurs and promoting natural sciences and technical sciences among children and youths (Young Inventor Club).

Regional Development Agency Inc. (*Agencja Rozwoju Regionalnego S.A. w Zielonej Górze*) (www.region.zgora.pl)

The agency aims at inspiring, supporting and promoting social-economic development of the Lubusz region, according to the EU standards and activating and supporting entrepreneurship, especially small and medium enterprises by implementing domestic and EU aid programmes. The agency is a Regional Financing Institution for the selected activities of the Operation Programme Innovative Economy for the years 2008-2015. The agency also offers trainings, business consultancy and financial services (thanks to the Lubusz Loan Fund in Zielona Góra which is operating within the structures of the agency).

Euroregion „PRO EUROPA VIADRINA” (www.euroregion-viadrina.eu)

The Euroregion consists of cities, communes and counties that are parts of region's associations: Association of Polish Communes of 'Pro Europa Viadrina' Euroregion (Stowarzyszenie Gmin Polskich Euroregionu "Pro Europa Viadrina") and German Association Mittlere Oder (Niemieckie Stowarzyszenie Środkowa Odra). The main aim of the Euroregion is supporting trans-border partnerships and cooperation. The specific objectives are supporting of regional identity and European thought, tourism as a factor of growth, common infrastructure and environment protection, development of small and medium enterprises.

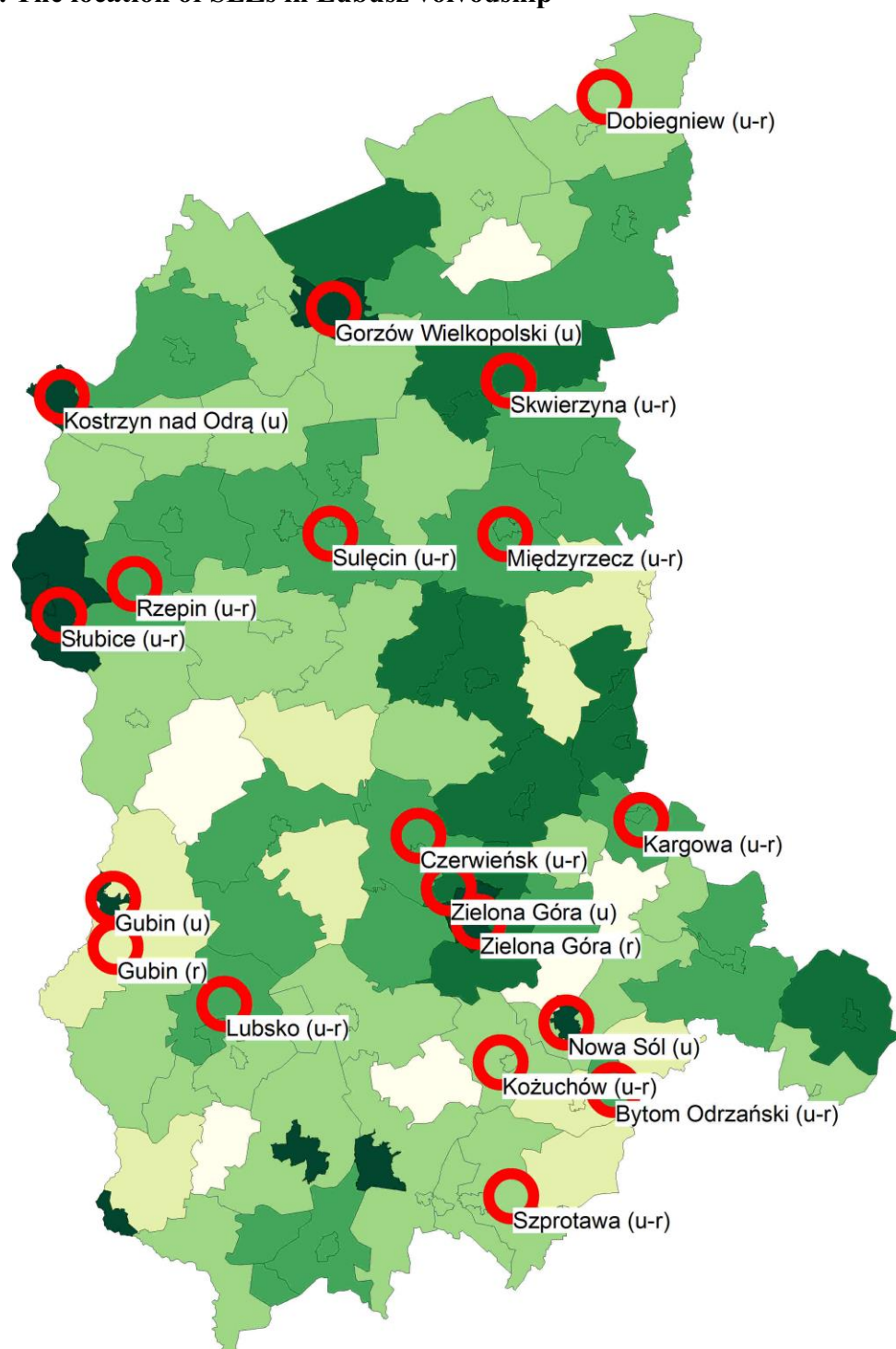
Euroregion „SPREE-NEISSE-BOBER” (www.euroregion-snb.pl)

The Euroregion is a platform of voluntary cooperation of Polish communes with German counties and cities. On the Polish side it includes southern and central part of Lubusz voivodship (the following counties and their communes: Krosno, Nowa Sól, Świebodzin, Wschowa, Zielona Góra, Żagań, Żary, and communes from the Greater Poland voivodship: Cybinka, Torzym, Zbąszyń). On the German side the Euroregion includes Spree-Neisse county and Cottbus city. The main aim of the Euroregion are activities for the benefit of border areas of Poland and Germany, their environment protection, economic and cultural development and increasing of citizens' life quality (including eliminating of existing economic situation differences).

4.2. SPECIAL ECONOMIC ZONES IN THE VOIVODSHIP – EFFECTS

There are 2 special economic zones (SEZs) in Lubusz voivodship: Kostrzyn SEZ and Wałbrzych SEZ. At the end of 2013 the areas of the SEZs were parts of 5 cities and 14 communes – see Chart 5.

Chart 5. The location of SEZs in Lubusz voivodship



POTENTIAL INVESTMENT ATTRACTIVENESS
of communes (gminas) for national economy in 2012



Source: Authors' own work.

The first SEZ areas were brought into life in 1997. The investment outlays made by SEZ companies operating in the communes of Lubusz voivodship by the end of 2013 amounted to PLN 3.1 billion, which made 3% of all investment outlays made in the Polish SEZs. In the same time the SEZ companies in the region created 9.1 thousand new jobs which made 5% of all jobs created in the Polish SEZs (see Table 3 in the Appendix).

There is a variety of industries operating in the economic zone. The largest investments have been made in paper industry (ARCTIC PAPER KOSTRZYN S.A., ICT POLAND SP. Z O.O., PPHU UNIPACO S.A., HANKE TISSUE SP. Z O.O., „STENQVIST POLSKA” Sp. z o.o.), in plastic products sector and optical appliances sector in Gorzów Wielkopolski (FAURECIA GORZÓW S.A., YETICO S.A., BriVictory Display Technology (Poland) SP. Z O.O., TPV DISPLAYS POLSKA SP. Z O.O., HMP HEIDENHAIN-MICROPRINT SP. Z O.O.) and automotive sector in Nowa Sól (BCC POLSKA SP. Z O.O., GROCLIN SERVICE SP. Z O.O. FABRYKA TAPICERKI SAMOCHODOWEJ FATSA SP. Z O.O., JOST POLSKA SP. Z O.O., UTESCHENY POLSKA SP. Z O.O., GEDIA POLAND ASSEMBLY SP. Z O.O., NORD NAPĘDY ZAKŁADY PRODUKCYJNE SP. Z O.O., VOIT POLSKA SP. Z O.O., JOST POLSKA SP. Z O.O., GEDIA POLAND ASSEMBLY SP. Z O.O., GEDIA POLAND SP. Z O.O.).

The Lubusz voivodship SSE development plan aims at attracting investors from wood, paper, machinery, electro-technical industries in order to create jobs that should utilize the voivodship's resources in these fields. It also aims at creating paper and metal industry clusters in Kostrzyn-Słubice and Wałbrzych SEZs, which should include businesses and research institutions interested in knowledge transfer into the industry.

4.3. '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 (using *mystery client* method). 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 2012 index were subject to evaluation.

As a result 59 communes were distinguished, of which only one city is situated in Lubusz voivodship. The distinguished city is Zielona Góra, who was ranked high thanks to a good website and e-mail answer.

APPENDIX

Table 1. POTENTIAL INVESTMENT ATTRACTIVENESS OF POLISH VOIVODSHIPS FOR THE NATIONAL ECONOMY AND ITS SELECTED SECTIONS

Voivodship	PAI1_GN	PAI1_GN	PAI1_C	PAI1_G	PAI1_I	PAI1_M
	National economy	National economy	Industry	Trade	Hotels and restaurants	Professional, scientific and technical activities
Voivodships						
LOWER SILESIAN	0.39	A	A	A	B	A
KUYAVIAN-POMERANIAN	0.29	C	C	E	D	D
LUBLIN	0.17	F	F	F	F	F
LUBUSZ	0.23	E	E	D	C	D
ŁÓDŹ	0.29	C	C	D	E	D
LESSER POLAND	0.32	C	C	B	B	C
MAZOVIAN	0.40	A	A	A	A	A
OPOLE	0.22	E	E	D	E	D
SUB-CARPATHIAN	0.23	E	E	E	E	D
PODLASKIE	0.20	F	F	F	E	E
POMERANIAN	0.34	B	C	B	A	B
SILESIAN	0.41	A	A	B	C	A
ŚWIĘTOKRZYSKIE	0.16	F	F	F	F	F
WARMIAN-MAZURIAN	0.24	E	E	C	C	E
GREATER POLAND	0.31	C	C	C	D	B
WESTERN POMERANIAN	0.34	B	B	B	A	B

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 COUNTIES OF LUBUSZ VOIVODSHIP FOR THE NATIONAL ECONOMY AND SELECTED SECTIONS

County	PAI1_GN	PAI1_GN	PAI1_C	PAI1_G	PAI1_I	PAI1_M
	National economy	National economy	Industry	Trade	Hotels and restaurants	Professional, scientific and technical activity
Counties						
city of Zielona Góra	0.347	A	A	A	A	A
city of Gorzów Wielkopolski	0.320	A	A	A	A	A
Zielona Góra	0.248	C	C	C	B	C
Świebodzin	0.241	C	D	C	B	D

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

Table 3. POTENTIAL INVESTMENT ATTRACTIVENESS OF COUNTIES OF LOWER SILESIAN VOIVODSHIP FOR THE NATIONAL ECONOMY AND SELECTED SECTIONS

Commune	PAI1_GN	PAI1_GN	PAI1_C	PAI1_G	PAI1_I	PAI1_M
	National economy	National economy	Industry	Trade	Hotels and restaurants	Professional, scientific and technical activity
Urban communes						
Zielona Góra (u)	0.273	A	A	A	A	A
Gorzów Wielkopolski (u)	0.265	A	A	A	A	A
Nowa Sól (u)	0.249	A	A	A	C	A
Żary (u)	0.244	A	A	A	A	A
Kostrzyn nad Odrą * (u)	0.241	A	A	A	A	A
Gubin (u)	0.240	A	A	A	C	A
Żagań (u)	0.238	A	A	A	A	A
Łęknica (u)	0.224	A	A	A	A	C
Gozdnica (u)	0.184	C	C	A	B	D
Rural communes						
Lubrza (r)	0.217	B	B	A	A	C
Kłodawa (r)	0.207	B	B	C	B	A
Zielona Góra (r)	0.204	B	B	C	A	B
Świdnica (r)	0.195	C	C	C	C	B
Zabór (r)	0.188	C	C	C	B	C
Santok (r)	0.187	C	C	C	B	C
Bobrowice (r)	0.184	C	C	C	B	D
Wymiarki (r)	0.184	C	D	D	D	D
Pszczew (r)	0.183	C	C	C	B	D
Przytoczna (r)	0.182	C	C	D	D	D
Urban-rural communes						
Słubice (u-r)	0.221	A	A	B	A	A
Babimost (u-r)	0.216	B	B	A	A	B
Sulechów (u-r)	0.215	B	B	B	A	A
Zbąszynek (u-r)	0.212	B	B	B	C	B
Świebodzin (u-r)	0.211	B	B	B	B	B
Skwierzyna (u-r)	0.206	B	B	C	C	B
Wschowa (u-r)	0.202	B	C	B	D	B
Międzyrzecz (u-r)	0.198	C	C	C	C	B
Lubsko (u-r)	0.198	C	C	C	B	B
Czerwieńsk (u-r)	0.196	C	C	C	C	B
Bytom Odrzański (u-r)	0.196	C	C	C	C	C
Kargowa (u-r)	0.195	C	C	C	C	C
Sława (u-r)	0.190	C	C	C	B	D

Regional investment attractiveness 2014

Lubniewice (u-r)	0.190	C	C	C	B	C
Krosno Odrzańskie (u-r)	0.189	C	C	C	C	C
Witnica (u-r)	0.189	C	C	C	C	C
Sulęcín (u-r)	0.188	C	C	C	B	C
Drezdenko (u-r)	0.188	C	C	D	D	C
Iłowa (u-r)	0.183	C	C	D	A	D
Rzepin (u-r)	0.182	C	C	D	A	D
Ośno Lubuskie (u-r)	0.182	C	C	C	B	D

(u) – urban commune, (r) – rural commune, (u-r) – urban-rural commune

Source: As for Table 1.

Note: All the indices in the report have been calculated on the basis on the most up-to-date data from the Local Data Bank (LDB), 2014.

Table 4. EFFECTS OF SPECIAL ECONOMIC ZONE FUNCTIONING AT THE END OF 2013

SEZ	County, commune	Cumulated capital expenditure in million PLN (end of 2013)	New jobs number (end of 2013)	Leading industries (at least 20% share of revenue or employment)
Kostrzyn-Słubice	Gorzów (u) Kostrzyn nad Odrą	1 226.62	2 618	paper and paper products
Kostrzyn-Słubice	Międzyrzecz (u-r) Międzyrzecz	127.07	341	rubber and plastic products
Kostrzyn-Słubice	Międzyrzecz (u-r) Skwierzyna	0.00		no leading industry
Kostrzyn-Słubice	Słubice (u-r) Rzepin	43.11	161	administration services and business support activities
Kostrzyn-Słubice	Słubice (u-r) Słubice	168.28	552	wood, wood and cork products, except furniture; articles of straw and plaiting materials, rubber and plastic products
Kostrzyn-Słubice	Strzelce-Drezdenko (u-r) Dobiegniew	0.00		no leading industry
Kostrzyn-Słubice	Sulęcín (u-r) Sulęcín	0.00		no leading industry
Kostrzyn-Słubice	city of Gorzów Wielkopolski (u) Gorzów Wielkopolski	801.12	3 354	computers, electronic and optical products, motor vehicles (excluding motorcycles), trailers and semi-trailers
Kostrzyn-Słubice	Krosno Odrzańskie (u) Gubin	25.20	124	fabricated metal products (except machinery and equipment)
Kostrzyn-Słubice	Krosno Odrzańskie (r) Gubin	14.94	0	food products
Kostrzyn-Słubice	Nowa Sól (u) Nowa Sól	671.26	1 312	metals, motor vehicles (excluding

				motorcycles), trailers and semi-trailers
Kostrzyn-Słubice	Nowa Sól (u-r) Bytom Odrzański	3.28	7	wood, wood and cork products, except furniture; articles of straw and plaiting materials
Kostrzyn-Słubice	Nowa Sól (u-r) Kozuchów	0.00		no leading industry
Kostrzyn-Słubice	Zielona Góra (u-r) Czerwieńsk	24.64	93	leather and leather products, storage and support activities for transportation
Kostrzyn-Słubice	Zielona Góra (u-r) Kargowa	0.00		no leading industry
Kostrzyn-Słubice	Zielona Góra (r) Zielona Góra	0.00		no leading industry
Wałbrzych	Żagań (u-r) Szprotawa	0.00		no leading industry
Kostrzyn-Słubice	Żary (u-r) Lubsko	2.14	1	fabricated metal products (except machinery and equipment)
Kostrzyn-Słubice	city of Zielona Góra (u) Zielona Góra	40.60	538	fabricated metal products (except machinery and equipment), electrical appliances and non-electrical household appliances

Source: Authors' own calculations based on the Ministry of Economy data. Notice: (u) – city commune, (u-r) urban-rural commune, (r) rural commune.

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