

Warsaw School of Economics



REGIONAL INVESTMENT ATTRACTIVENESS 2016

Lubusz Voivodship

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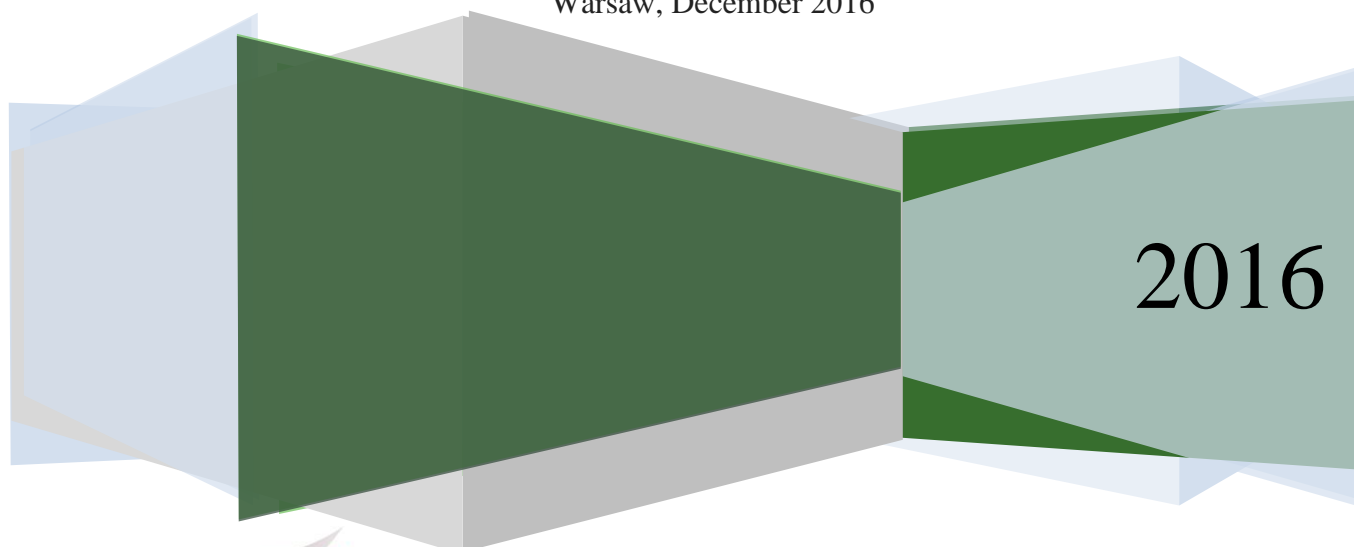
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Invest
in Poland

POLISH INFORMATION AND
FOREIGN INVESTMENT AGENCY

Polska 



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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 prof. H. Godlewska-Majkowska, Ph.D., full professor in 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: *powiat*) 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 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 – accommodation 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 voivodships, 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 2014 (PLN/person)		37 635	44 686	-
Population (persons) on 31 December 2015		1 018 075	38 437 239	2.6%
Human Resources Potential				
Higher education institutions graduates (persons) in 2015		4 821	394 987	1.2%
Secondary schools graduates (persons) in 2015		6 860	284 187	2.4%
Number of employed persons in 2015 (in thousands)		413	16 084	2.6%
Structure of employed persons in 2015		agriculture sector 6.3% industry sector 35% services sector 58.7%		11.5% 30.5% 58.0%
Investment outlays and capital of companies with foreign capital participation in the voivodship				
Investment outlays (PLN m) in 2014		760.6	78 823.1	1.0%
Capital of companies (PLN m) in 2014		1 549.7	215 594.8	0.7%
Special Economic Zones (SEZs) in the voivodship*				
– Kostrzyn-Słubice – Legnica – 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 Gorzów Wielkopolski, city of Zielona Góra		
Communes	Class A	Gorzów Wielkopolski (u), Gubin (u), Kostrzyn nad Odrą (u), Nowa Sól (u), Zielona Góra (u), Żagań (u), Żary (u)		
	Class B	Babimost (u-r), Bytom Odrzański (u-r), Kłodawa (r), Krosno Odrzańskie (u-r), Łęknica (u), Słubice (u-r), Sulechów (u-r), Świebodzin (u-r), Zbąszynek (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 4 in the Appendix. Source: Authors' own calculations.

The number of inhabitants of the voivodship amounts to 1 018 075 (as of 2015), which is 2.7% of the population of Poland. The age structure in the voivodship in 2015 was as follows: 18.1% of the population at pre-productive age, 63.1% at productive age and 18.8% at post-productive age (for Poland it was 18%, 62% and 20% respectively).

The main potential for human capital creation in the voivodship lies in 6 higher education institutions in which there are 17 000 students studying, which makes up 1.2% of all students in Poland.

According to a report prepared by the Committee for Evaluation of Research (KEJNA) for the Ministry of Science and Higher Education in Lubuskie 2 faculties of universities were given scientific category A; and 8 faculties received category - B. It is also worth mentioning that out of 7 rated schools only University of Zielona Góra was on a list prepared by KEJNA. Detailed information can be found in Appendix (table 5).

In addition, 12.7% of the secondary school students in the voivodship attend vocational schools and 33.5% attend technical schools.

The registered unemployment rate in the voivodship amounted to 8.7% in August 2016, compared to 8.5%² in Poland. The average monthly gross wages and salaries in enterprises sector in the first half-year of 2016 amounted to PLN 3 548.93, which is 92% of the average for Poland.

In 2014 Lubusz voivodship made a contribution of 2.2% to the GDP of Poland. Calculated per capita, it amounted to PLN 37 635 with the average for Poland PLN 44 686. With this result the voivodship takes the 8th place in the country. The GDP growth rate in the voivodship in the years 2004-2014 amounted to 176% while the average for Poland amounted to 181%.

The structure of employment in the voivodship is characterised by a relatively high share of the service sector (58.7%) whereas shares of the agricultural and industrial sectors are respectively 6.3% and 35% (Central Statistical Office, Local Data Bank 2016).

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 2015), manufacture of wood, wood and cork products, except furniture; articles of straw and plaiting materials (12%), manufacture of food products (9%), manufacture of paper and paper products (9%) and the manufacture of metal products (7%) and metal production (6%).

² The unemployed and the unemployment rate according to voivodship, sub-regions and counties (as of the end of August 2016). Central Statistical Office.

The region is the main manufacturer of wood, wood and cork products, except furniture (11% of sold production of the whole voivodship's industry at the end of 2015), leather and leather products (9%) and paper and paper products (7%)³.

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,
- 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, Legnica SEZ and Wałbrzych SEZ, in the following subzones:**

- **Kostrzyn-Słubice SEZ, subzones:** Bytom Odrzański (u-r), Czerwieńsk (u-r), Dobiegniew (u-r), Drezdenko (u-r), Gorzów Wielkopolski (u), Gubin (u), Gubin (r), Kargowa (u-r), Kostrzyn nad Odrą (u), Kożuchów (u-r), Krosno Odrzańskie (u-r), Lubsco (u-r), Międzyrzecz (u-r), Nowa Sól (u), Rzepin (u-r), Skwierzyna (u-r), Słubice (u-r), Strzelce Krajeńskie (u-r), Sulechów (u-r), Sulęcín (u-r), Zielona Góra (u), Żary (u).
- **Legnica SEZ, subzone:** Iłowa (u-r),
- **Wałbrzych SEZ, subzones:** Szprotawa (u-r), Świebodzin (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.

³ Calculations based on Statistical Bulletin of the voivodship from the first quarter of 2016 and the Bulletin of Statistics, the first quarter of 2016 www.stat.gov.pl (26/10/2016).

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

Lubusz voivodship is one of the regions receiving good economic effects of investments, especially industrial ones, as indicated by the relatively high evaluation of the real investment attractiveness of the national economy and industry (Class C).

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 three years. They are based on measurements of attractiveness of human resources, market and innovativeness.⁴ 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 222th place of 273 regions, for whom the indices were calculated. Although the investment attractiveness of the voivodship is relatively low (E class), Lubusz voivodship has a competitive advantage, when it comes to human capital microclimate, at the 8th place among all the EU regions.

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

- **in Austria:** Burgenland;
- **in Belgium:** Prov. Luxembourg;
- **in Great Britain:** Lincolnshire, Cornwall and Isles of Scilly, West Wales and The Valleys;
- **in Bulgaria:** Severozapaden, Severen tsentralen, Severoiztochen, Yugoiztochen, Yuzhen tsentralen;
- **in Czech Republic:** Severozápad;
- **in France:** Picardie;
- **in Greece:** Anatoliki Makedonia Thraki, Kentriki Makedonia, Dytiki Makedonia, Ipeiros, Ionia Nisia, Dytiki Ellada, Sterea Ellada, Peloponnisos, Voreio Aigaio, Notio Aigaio;
- **in Spain:** Castilla-La Mancha, Extremadura;
- **in The Netherlands:** Zeeland;
- **in Germany:** Lüneburg;

⁴ 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/>

- **in Portugal:** Centro, Alentejo, Região Autónoma dos Açores, Região Autónoma da Madeira;
- **in Romania:** Nord-Vest, Centru, Nord-Est, Sud-Est, Sud - Muntenia, Sud-Vest Oltenia;
- **in Slovakia:** Východné Slovensko;
- **in Hungary:** Dél-Dunántúl, Észak-Magyarország, Dél-Alföld;
- **in Italy:** Molise, Puglia, Basilicata, Calabria, Sicilia, Sardegna.

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 1 and Chart 2). 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.

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

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

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

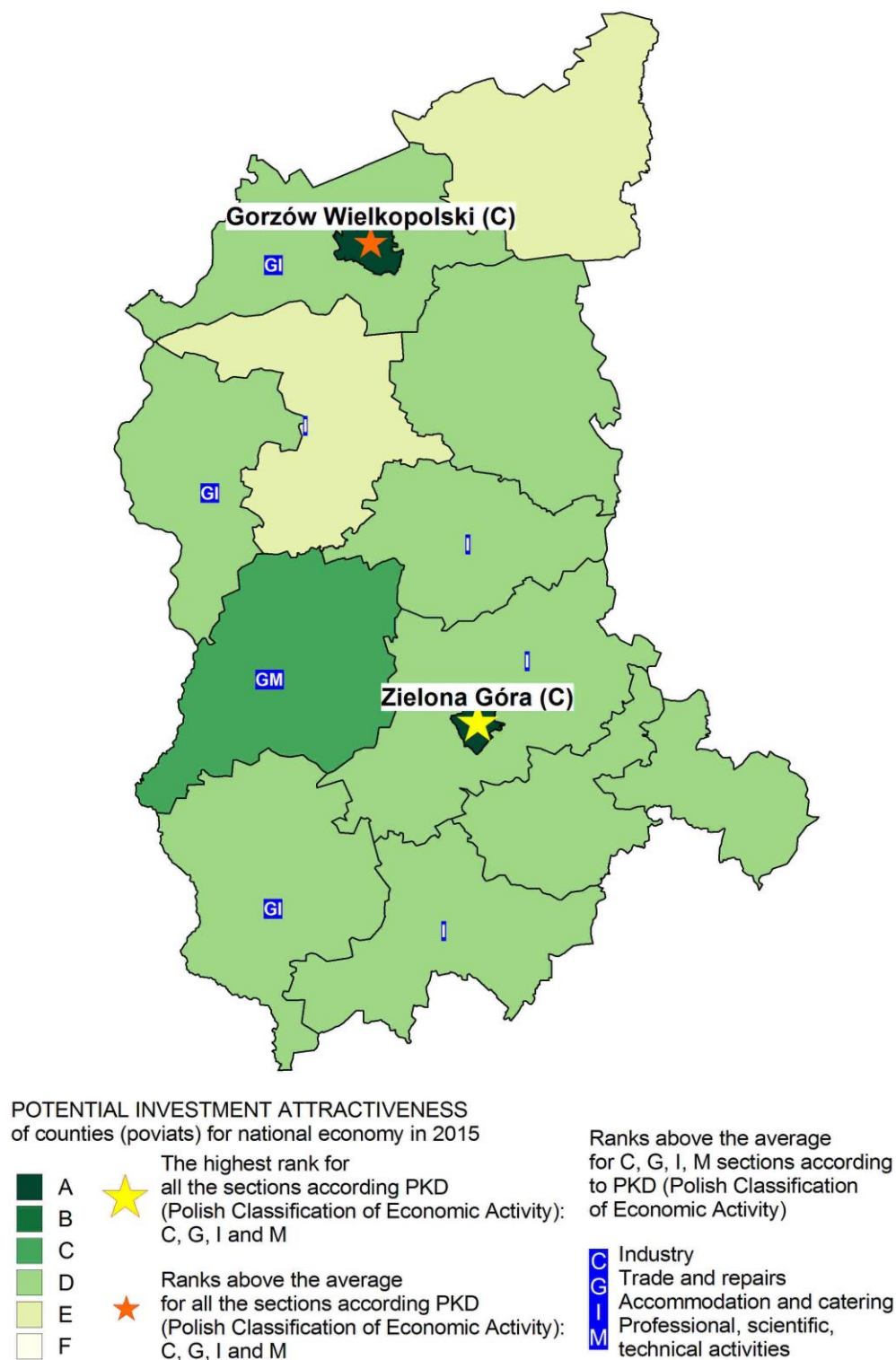
Among rural communes the highest rank communes include:

- **distinguished with an orange star:** Kłodawa (r), Lubrza (r), Zabór (r).

Among urban-rural communes the highest rank communes include:

- **distinguished with an orange star:** Babimost (u-r), Drezdenko (u-r), Kargowa (u-r), Międzyrzecz (u-r), Sława (u-r), Słubice (u-r), Sulechów (u-r), Świebodzin (u-r) and Zbąszynek (u-r).

Chart 1. Potential investment attractiveness of counties of Lubusz voivodship, considering the most attractive sections

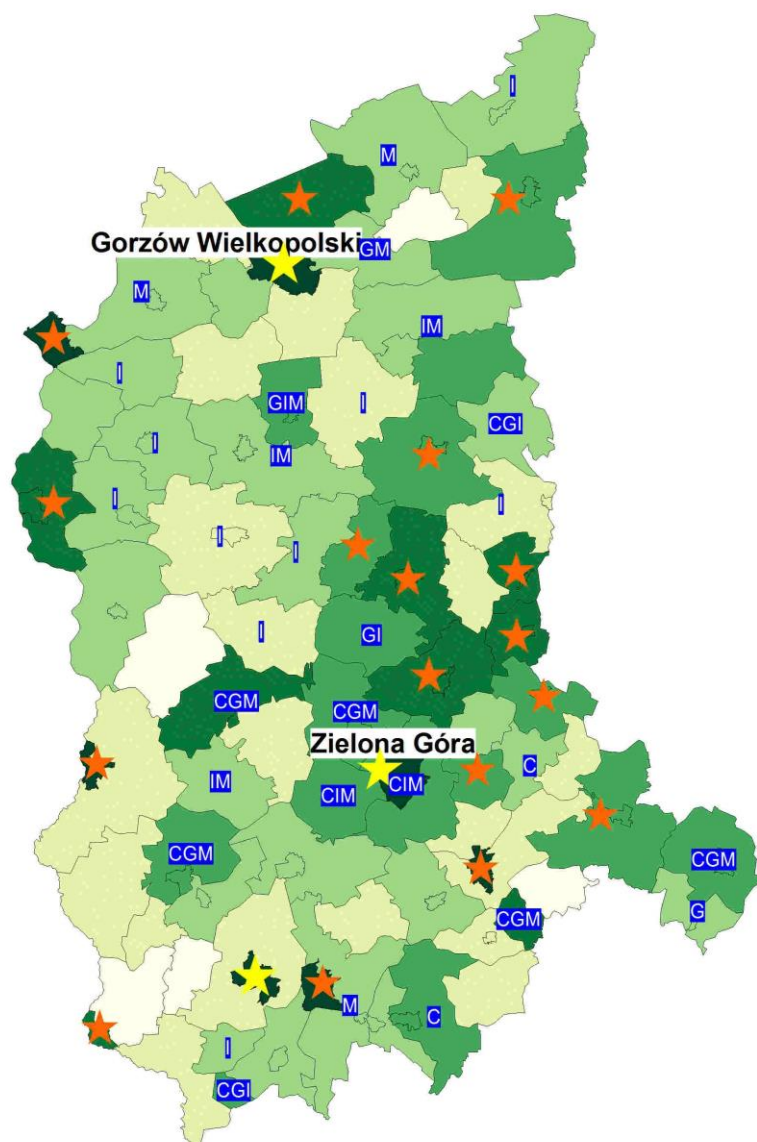


Golden star county:

Zielona Góra

Source: Authors' own work.

Chart 2. Potential investment attractiveness of communes of Lubusz voivodship, considering the most attractive sections



POTENTIAL INVESTMENT ATTRACTIVENESS
of communes (gminas) for national economy in 2015

- | | |
|--|--|
| <ul style="list-style-type: none"> A B C D E F | <p>★ The highest rank for all the sections according PKD (Polish Classification of Economic Activity): C, G, I and M</p> <p>★ Ranks above the average for all the sections according PKD (Polish Classification of Economic Activity): C, G, I and M</p> |
|--|--|

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

- | |
|---|
| <ul style="list-style-type: none"> C Industry G Trade and repairs I Accommodation and catering M Professional, scientific, technical activities |
|---|

Golden star communes:

Gorzów Wielkopolski (u), Zielona Góra (u), Żary (u)

Source: Authors' own work.

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. The Business Centre has knowledge about the city and the opportunities offered Zielona Góra for potential investors.

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. The land for these investments is attractive because of the border character of the region, the preferred location for transport to ensure the modernization and development of main (international) and national road and rail connections in the system east - west and north - south and a well-developed communication network within the region.

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. Park offer includes m.in .: training and advice for academics at University and employees of companies in the region Lubuskie services research - development, implementation projects related to: cooperation between the University of Zielona Góra and SMEs Lubuskie voivodship.

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. Cele parku zawierają się w filozofii 5i: identyfikowanie potrzeb firm, inicjowanie kontaktów biznesowych, integrowanie przemysłu z nauką, inspirowanie innowacji,

informowanie szkolenie. 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>)

The main task of the company is the commercialization of innovative solutions in the area of environmental technologies and the other by creating new business entities, in which the GOT PNP Sp. zoo. It will include equity. The Company will pursue this task through: working with entrepreneurs and universities, find new environmental technologies with potential for commercialization and verification of innovative solutions for the possibility of their transfer to industry, conducting personal research and commissioned to coordinate the protection of intellectual property new projects, matching the most efficient model of financing new ventures, capital entry, together with entrepreneurs and business environment institutions to new economic entities, which will be commercialized specific projects, complete support of new entrants during the incubation period (in terms of research, the patent office, accounting, legal and information technology , output of capital from mature projects. The Company also conducts laboratory activities for children and young people under the Young Inventors 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 Association supports partnerships and Polish-German cooperation contributes to the sustainable development of the border area. Thanks to the established network of partnerships forming a Euroregion shall support the common goals of social, economic, cultural, using EU funds and intergovernmental. In accordance with the Concept Development and Operations Pro Europa Viadrina Euroregion "VIADRINA 2014", the Euroregion has set itself the main objective of deepening the partnership in order to exploit cross-border potential, which is to be implemented through four objectives, ie .: the promotion of common identity

and European thought, to promote tourism and business location factors, strengthening of infrastructure and public services, and promoting innovation and education.

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

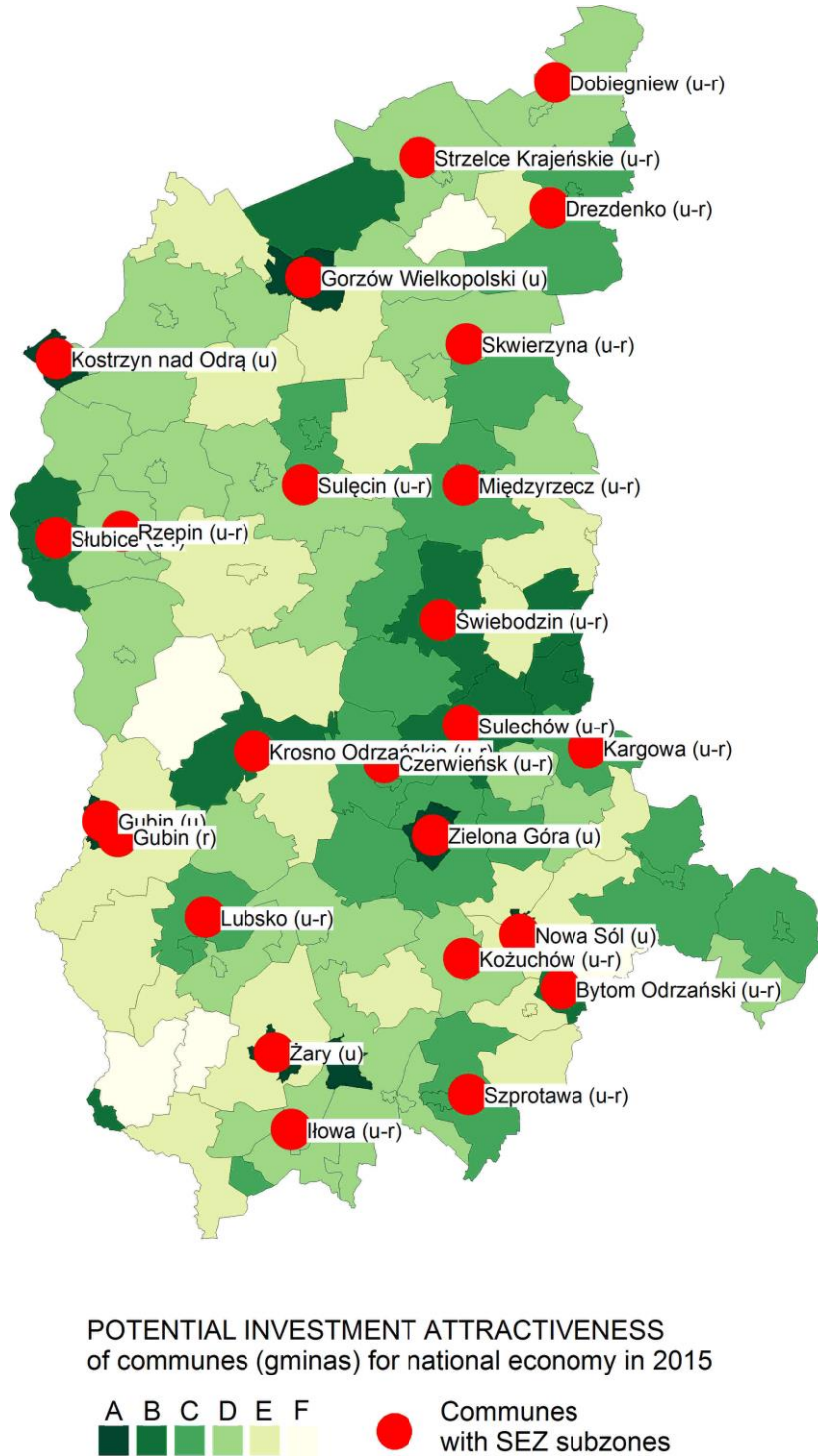
There are 2 special economic zones (SEZs) in Lubusz voivodship: Kostrzyn - Słubice SEZ and Wałbrzych SEZ. At the end of 2015 the areas of the SEZs were parts of 6 cities and 19 communes – see Chart 3.

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 2015 amounted to PLN 3.5 billion, which made 3% of all investment outlays made in the Polish SEZs. In the same time the SEZ companies in the region created 15.4 thousand new jobs which made 5% of all jobs created in the Polish SEZs (see Table 4. 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 Ltd., PPHU UNIPACO S.A., HANKE TISSUE Ltd., „STENQVIST POLSKA” Ltd.), in plastic products sector and optical appliances sector in Gorzów Wielkopolski (FAURECIA GORZÓW S.A., YETICO S.A., BriVictory Display Technology (Poland) Ltd., TPV DISPLAYS POLSKA Ltd., HMP HEIDENHAIN-MICROPRINT Ltd.) and automotive sector in Nowa Sól (BCC POLSKA Ltd., GROCLIN SERVICE Ltd., FABRYKA TAPICERKI SAMOCHODOWEJ FATSA Ltd., JOST POLSKA Ltd., UTESCHENY POLSKA Ltd., GEDIA POLAND ASSEMBLY Ltd., NORD NAPĘDY ZAKŁADY PRODUKCYJNE Ltd., VOIT POLSKA Ltd., JOST POLSKA Ltd., GEDIA POLAND ASSEMBLY Ltd., GEDIA POLAND Ltd.).

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.

Chart 3. The location of SEZs in Lubusz voivodship



Source: Authors' own work.

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 and repairs	Accommodation and catering	Professional, scientific and technical activities
Voivodships						
LOWER SILESIAN	0,868	A	A	A	B	B
KUYAVIAN-POMERANIAN	0,556	C	C	E	E	D
LUBLIN	0,131	F	F	F	F	F
LUBUSZ	0,296	E	E	D	D	E
ŁÓDŹ	0,636	C	B	E	E	D
LESSER POLAND	0,759	B	B	A	A	B
MAZOVIAN	1,000	A	A	A	A	A
OPOLE	0,243	E	E	E	F	E
SUBCARPATHIAN	0,314	E	E	D	E	D
PODLASKIE	0,210	E	E	E	D	E
POMERANIAN	0,716	B	C	A	A	B
SILESIAN	0,988	A	A	C	C	A
ŚWIĘTOKRZYSKIE	0,000	F	F	F	F	F
WARMIAN-MASURIAN	0,291	E	E	C	C	D
GREATER POLAND	0,618	C	C	B	D	B
WESTERN POMERANIAN	0,693	B	C	D	A	C

Source: Authors own work on the basis of the results of statutory research carried out in Collegium of Business Administration 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	PAII_GN	PAII_GN	PAII_C	PAII_G	PAII_I	PAII_M
	National economy	National economy	Industry	Trade and repairs	Accommodation and catering	Professional, scientific and technical activity
Counties						
city of Zielona Góra	0,314	A	A	A	A	A
city of Gorzów Wielkopolski	0,284	A	A	A	B	A
Krosno	0,215	C	D	C	D	C

Source: Authors own work on the basis of the results of statutory research carried out in Collegium of Business Administration under the guidance of H. Godlewska-Majkowska in 2016.

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

County	PAII_GN	PAII_GN	PAII_C	PAII_G	PAII_I	PAII_M
	National economy	National economy	Industry	Trade and repairs	Accommodation and catering	Professional, scientific and technical activities
Urban communes						
Zielona Góra (u)	0,228	A	A	A	A	A
Gorzów Wielkopolski (u)	0,214	A	A	A	A	A
Gubin (u)	0,213	A	A	A	C	A
Nowa Sól (u)	0,212	A	A	A	B	A
Żary (u)	0,197	A	A	A	A	A
Kostrzyn nad Odrą (u)	0,189	A	A	A	C	A
Żagań (u)	0,188	A	A	A	C	A
Łęknica (u)	0,174	B	A	A	A	C
Gozdnica (u)	0,152	C	C	B	B	D
Rural communes						
Kłodawa (r)	0,164	B	B	B	B	A
Zielona Góra (r)	0,149	C	C	D	B	B
Lubrza (r)	0,149	C	C	C	A	C
Świdnica (r)	0,147	C	C	D	C	C
Zabór (r)	0,144	C	C	C	C	C
Przytoczna (r)	0,143	C	D	D	D	D
Skąpe (r)	0,143	C	D	C	C	D
Urban-rural communes						
Słubice (u-r)	0,175	B	B	A	A	B
Babimost (u-r)	0,172	B	B	B	C	B
Zbąszynek (u-r)	0,169	B	B	B	C	B
Świebodzin (u-r)	0,165	B	B	B	A	B
Sulechów (u-r)	0,165	B	B	B	A	B
Krosno Odrzańskie (u-r)	0,165	B	B	B	D	B
Bytom Odrzański (u-r)	0,162	B	B	C	D	C
Wschowa (u-r)	0,155	C	C	C	D	B
Lubsko (u-r)	0,155	C	C	C	D	C
Kargowa (u-r)	0,151	C	C	C	C	C
Szprotawa (u-r)	0,151	C	C	D	D	D
Międzyrzecz (u-r)	0,150	C	C	C	B	C
Drezdenko (u-r)	0,148	C	C	C	C	C
Sława (u-r)	0,147	C	C	C	B	C
Czerwieńsk (u-r)	0,144	C	C	C	D	C
Lubniewice (u-r)	0,142	C	D	C	A	C

(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), 2016.

Table 4. EFFECTS OF SPECIAL ECONOMIC ZONE FUNCTIONING AT THE END OF 2015

SEZ	County, commune	Cumulated capital expenditure in million PLN	New jobs number	Leading industries (at least 20% share of revenue or employment)
Kostrzyn-Słubice	Gorzów Wielkopolski, Kostrzyn nad Odrą (u)	1 162	3 009	paper and paper products
Kostrzyn-Słubice	Krosno, Gubin (u)	39	186	fabricated metal products, except machinery and equipment
Kostrzyn-Słubice	Krosno, Gubin (r)	15	-	groceries
Kostrzyn-Słubice	Krosno, Krosno Odrzańskie (u-r)	143	156	wood and products of wood and cork, except furniture; articles of straw and materials of a kind used for plaiting
Kostrzyn-Słubice	city of Gorzów Wielkopolski, Gorzów Wielkopolski (u)	852	3 698	computers, electronic and optical products; motor vehicles (excluding motorcycles), trailers and semi-trailers
Kostrzyn-Słubice	city of Zielona Góra, Zielona Góra (u)	63	577	fabricated metal products, except machinery and equipment; electrical and non-electrical household appliances; storage and support services for transportation
Kostrzyn-Słubice	Międzyrzecz, Międzyrzecz (u-r)	126	449	rubber and plastic
Kostrzyn-Słubice	Międzyrzecz, Skwierzyna (u-r)	0	77	rubber and plastic
Kostrzyn-Słubice	Nowa Sól, Bytom Odrzański (u-r)	4	18	wood and products of wood and cork, except furniture; articles of straw and materials of a kind used for plaiting
Kostrzyn-Słubice	Nowa Sól, Koźuchów (u-r)	-	-	no leading industry
Kostrzyn-Słubice	Nowa Sól, Nowa Sól (u)	850	1 894	metals; motor vehicles (excluding motorcycles), trailers and semi-trailers
Kostrzyn-Słubice	Słubice, Rzepin (u-r)	43	212	services related to administrative, office support and other services supporting business activities
Kostrzyn-Słubice	Słubice, Słubice (u-r)	150	731	rubber and plastic
Kostrzyn-Słubice	Strzelce Krajeńskie, Dobiegniew (u-r)	-	-	no leading industry

Kostrzyn-Słubice	Strzelce Krajeńskie , Drezdenko (u-r)	-	-	no leading industry
Kostrzyn-Słubice	Strzelce Krajeńskie , Strzelce Krajeńskie (u-r)	-	-	no leading industry
Kostrzyn-Słubice	Sulęcín, Sulęcín (u-r)	-	-	no leading industry
Kostrzyn-Słubice	Zielona Góra, Czerwieńsk (u-r)	34	95	leather and leather products; storage and support services for transportation
Kostrzyn-Słubice	Zielona Góra, Kargowa (u-r)	-	-	no leading industry
Kostrzyn-Słubice	Zielona Góra, Sulechów (u-r)	-	-	no leading industry
Kostrzyn-Słubice	Żary, Lubsko (u-r)	-	-	no leading industry
Kostrzyn-Słubice	Żary, Żary (u)	37	221	wood and products of wood and cork, except furniture; articles of straw and materials of a kind used for weaving; products of other non-metallic mineral
Legnica	Żagań, Iłowa (u-r)	-	-	no leading industry
Wałbrzych	Świebodzin, Świebodzin (u- r)	-	-	no leading industry
Wałbrzych	Żagań, Szprotawa (u-r)	2	-	rubber and plastic

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

Table 5. UNIVERSITIES, FACULTIES AND ITS CATEGORIES

School name	Ministry of Science and Higher Education Category
Higher Lubusz School of Public Health in Zielona Góra	no data
Łużycka Wyższa Szkoła Humanistyczna im. Jana Benedykta Solfy w Żarach	no data
Państwowa Wyższa Szkoła Zawodowa im. Jakuba z Paradyża in Gorzów Wielkopolski	no data
State Higher Vocational School in Sulechów	no data
University of Zielona Góra	A – Faculty of Physics and Astronomy
	A – Faculty of Mathematics, Computer Science and Econometrics
	B – Faculty of Arts
	B – Faculty of Economics and Management
	B – Faculty of Humanities
	B – Faculty of Education, Psychology and Sociology
	B – Faculty of Biological Sciences
	B – Faculty of Civil Engineering, Architecture and Environmental Engineering
	B – Faculty of Computer, Electrical and Control Engineering
	B – Faculty of Mechanics
Higher Business School in Gorzów Wlkp.	no data
Higher Vocational School based in Kostrzyn	no data

Source: Authors' own work based on the Official Journal of the Ministry of Science and Higher Education Warsaw, 9 July 2014 .; Item 38; Communication from the Minister of Science and Higher Education of July 4, 2014 year; of scientific terms granted to scientific institutions.

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