Contents

Introduction	**4**
Poland Basic Data	4
Human Capital	**6**
General Economic Data and Market Structure	**9**
Country statistical profile	9
Imports and exports	13
Foreign direct investment	14
Inflow of European Union funds	16
Key economic indicators and forecasts	17
2012 economic indicators	18
Infrastructure and Transport	**20**
Roads	20
Rail	23
Airports	24
River and sea transport	24
Economic Incentives	**24**
Special Economic Zones	24
IE OP	25
The Scheme for Promotion of Investments	26
MASP	27
Polish Investment Programme	27
Manufacture and Processing of Sheet Metal	**28**
Manufacturing indices of sold production in 2012	29
Steel users	
Automotive industry	29
Defence and maritime	33
White goods and household appliances	34
Aerospace	35

Construction and civil engineering 38
Electronics 40

Research and Development **41**

Further Prospects for Sheet Metal in Poland **42**
Power generation 42
Renewable energy 44
Shale gas 45

Contacts/Links **46**

STEEL USERS

Automotive Industry

The automotive sector is one of the largest industrial sectors in Poland – it constitutes around 10 percent of Polish manufacturing and gives jobs to more than 130,000 employees. Selling vehicles, parts and accessories abroad accounted for about 15 percent of the country's exports in 2011. According to the BMI, the overall value of Polish automotive exports was expected to reach US$ 16bn over the course of 2012, which represented 8.78 percent growth over 2011's figures. BMI believes that the Polish automotive industry will be able to achieve average annual production growth of 6.8 percent in the years 2012–2016.

Poland is the third largest player in the CEE in terms of vehicle production. Poland's automotive sector is largely oriented towards exports, with key players selling into Western Europe (Fiat, Ford, VW and Opel), using Poland as a low-cost base for manufacturing. The presence of many major parts makers and suppliers (e.g. TRW, Faurecia, Delphi, Goodyear, Michelin and Valeo) has resulted in the formation of a highly integrated segment of suppliers.

Poland is also an important bus producer and this sector is also driven mainly by export demand. A number of large multinational companies have made large investments over the years, attracted by government incentives, low costs and the highly qualified workforce plus Poland's attractive position in Central Europe. The existence of Special Economic Zones has also been an important factor influencing the location decision of foreign investors.

"Poland is a leading market in the CEE for passenger and commercial vehicle manufacturers and suppliers. According to the automotive market research institute Samar, 825,469 vehicles were produced in Poland in 2011. The leading manufacturer is Fiat (with its plant in Tychy), followed by Volkswagen (in Poznań) and GM-Opel (in Gliwice). MAN is the sole manufacturer of trucks in Poland, producing some 8,280 in 2011 (according to data from Fleet Magazine). With 4,632 buses manufactured in 2011, Poland became the third largest bus manufacturer in the EU. Research company, JMK Bus Market Analysis, states that in 2011 the top three bus manufacturers in Poland were Man, Solaris and Volvo, followed by Scania, Autosan and others," says Made In Poland's Guide for Manufacturing Companies in Poland.

In addition to vehicle production, Poland is also well positioned as a supplier of automotive components. According to the guide, key features of the Polish automotive sector are:-

- the largest domestic market in CEE;
- automotive clusters in Upper and Lower Silesia as well as in the Wielkopolska region;
- more than 900 companies, of which 300 have foreign shareholders;
- 350 Tier 1 and 2 operations of Polish origin;
- approximately 305 suppliers with ISO/TS 16949 certificates;
- high profile expertise from automotive faculties at technical universities in the largest cities (Warsaw, Gliwice, Wrocław, Poznań, Krakow);
- EUR 67 billion cash grants from European Union funds for 2007 to 2013 is supporting inter alia, R&D activities, innovative investment projects and massive infrastructure improvement projects;
- long-standing industrial traditions within the automotive industry, dating back to 1920s.

In 2010 (according to the CSO), the Polish vehicle fleet grew by 4.6 percent versus 2009 to over 23 million vehicles. Polish authorities registered 220,097 new passenger cars for the first time, i.e. 5.2 percent less than in 2009. In 2010, there were 451 passenger cars per 1,000 inhabitants in Poland versus 432 passenger cars the year before. In terms of weight, the vehicle fleet in 2010 continued to be dominated by small (segment A and B) and compact cars (C), which outnumbered large models (D).

According to the Polish Automotive Industry Association (PZPM), it was the third year in a row of curbed production at car factories in Poland. Their output in 2011 covered 820,426 passenger cars and commercial vehicles, i.e. 7.6 percent less versus 2010 when 887,301 passenger cars and LCVs were assembled. A slump in the production volume was the spillover effect of the reduced output of Fiat Auto Poland by over 10 percent and a tenfold decrease in manufacturing at FSO which ceased its automotive production at the end of February 2011.

Tychy-based Fiat Auto Poland manufacturing site is the largest facility of its kind in Poland. Its output in 2011 accounted for 467,760 vehicles, i.e. almost 10.5 percent less than in 2010. 400,556 vehicles from Fiat's automotive brands (Fiat, Abarth and Lancia) were assembled in Tychy, while the rest of the production (67,204) was the Ford Ka. A breakdown by models of the Italian group indicates that the largest portion of output accounted for the Fiat Panda (205,765), the Fiat 500 (149,659) and the Lancia Ypsilon (37,560), whereas production of Abartha 500 stood at 7,572 vehicles.

The Tychy-based facility assembled 9,520 vans. Export of Fiat, Lancia and Abartha brands made at the Silesian facility corresponded to 98.3 percent of its output. Vehicles were exported to 67 countries worldwide. The biggest export partner was Italy – 217,569 vehicles, followed by France (36,595), the UK (32,068), Germany (31,510), and the Netherlands (16,909).