Doing Business in Poland

Foreign investment promotion agency/Single window clearance authority

Polish Investment and Trade Agency (PAIH) works to increase the inflow of investments to Poland and the outflow of Polish foreign direct investment (FDI). It also supports the growth of Polish exports. The services offered by the Agency encompass assistance with overcoming administrative and legal procedures related to specific projects, developing optimal legal solutions as well identifying suitable project location and reliable partners/suppliers.

The Agency administers pro-export projects, promotes leading Polish sectors at the stage of foreign expansion and offers support for Polish companies on the developing markets within Go China, Go Africa, Go Arctic, Go India, Go ASEAN and Go Iran programs. PAIH is also responsible for the promotion of Poland at the incoming Universal Exposition EXPO Dubai 2020.

To offer direct assistance for business on the site, in 2017, PAIH has established a system of international support all over the world. The PAIH Foreign Trade Offices of PAIH comprise of a global, constantly expanding network of the Agency's local divisions responsible for providing support for Polish exporters and investors who look for new opportunities overseas.

PAIH Foreign Trade Offices are focused on distant markets of rapid growth that represent the greatest potential for Polish companies. The offices have been designed to attract foreign investors and assist them on their way to set business in Poland. PAIH Foreign Office in Mumbai expected to launch by the end of 2018. [www.paih.gov.pl/en](http://www.paih.gov.pl/en)

Single window clearance facilities are available without prejudice as their country of origin to all the entrepreneurs.

Incentives or schemes offered by the Government of Poland for foreign investors

1. **Endorsement of new investments** – the government aid scheme (in form of income tax exemption granted for up to 15 years and up to 50% of the tax due) dedicated to supporting new investments in Poland. The required minimum investment to avail of the aid ranges from PLN 0,2 million (INR 0,4 Cr) to PLN 100 million (INR 200 Cr) depending on: (A) the location of the investment, or more precisely on the unemployment levels at the site's location (B) the status of the entrepreneur i.e. micro enterprise, SME or large enterprise. This aid scheme is open to a range of sectors – among others: manufacturing, R&D, activity of shared services centers and other exports-oriented investments as well as select projects carried-out in high potential o industries consistent with current national investment policy (aid granted by Ministry of Entrepreneurship and Technology).

2. **The government cash grants** – dedicated to supporting large investments considered vital to the Polish economy (Investment & Employment grants). The aid
may be granted to investments in the so-called “priority sectors” (automotive, electronics, aviation, biotechnology, R&D, modern services including in particular IT centers, BPOs and telecommunications) as well as “significant” investments in other sectors. The amount of aid granted will depend on: (A) the location of the investment, or more precisely on the unemployment levels at the site’s location (B) nature of the investment (C) the number of jobs created and the amount of the investment costs.

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<th>Eligibility criteria (Employment grants:)</th>
<th>Maximum aid will range from PLN 3,200 to 15,600 (EUR ~800 – 3,900) per job created.</th>
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<td>▪ creation of at least 250 new jobs and investment value of at least PLN 40m – in priority sectors (manufacturing),</td>
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<td>▪ creation of at least 500 new jobs and investment value of at least PLN 500m or 200 new jobs and investment of PLN 75m – for large investment in other sectors,</td>
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<td>▪ creation of at least 250 new jobs and investment value of at least PLN 1.5m in business services sector (BSS: ICT, BPO and SSC),</td>
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<td>▪ creation of at least 35 new jobs for degree holders and investment value of at least PLN 1m in R&amp;D sector,</td>
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<td>▪ investment in a county where the unemployment rate is lower than 75% of the national average (manufacturing only).</td>
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<th>Eligibility criteria (Investment grants:)</th>
<th>The maximum amount of aid is calculated as a percentage of eligible costs of investment value and varies from 1.5 to 12.5% and up to 10% for R&amp;D.</th>
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<td>▪ investment value of at least PLN 160m and creation of at least 50 new jobs in priority sectors (manufacturing),</td>
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<td>▪ creation of at least 500 new jobs and investment value of at least PLN 500m or 200 new jobs and investment of PLN 750m – for large investment in other sectors,</td>
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<td>▪ investment value of at least PLN 10m and creation of at least 35 new jobs in R&amp;D,</td>
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<tr>
<td>▪ investment in a county where the unemployment rate is lower than 75% of the national average.</td>
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(aid granted by Ministry of Entrepreneurship and Technology).

3. Foreign investors may be entitled to apply for **EU-funded cash grants** according to the same rules that bind Polish entities. Operational programs set out the general T&C for projects eligible for the aid. In current financial perspective (2014-2020) the significant portion of aid available is allocated to R&D projects. Other activities (for example innovative new investments by SMEs, which use new technologies, energy efficiency projects, production of energy from renewable sources) can also receive support **(granted by dedicated institutions depending on the nature of the investment)**.

4. **R&D Tax relief** – the entrepreneurs engaged in an R&D activity will be entitled to additional tax deduction of up to 100% (150% in case of company with R&D Centre status) of costs incurred for research and development, depending on the size of the
company and type of eligible costs. The actual tax benefit associated with the qualified R&D activity may reach up to 19% or 28.5% - in case of company with R&D Centre status (*aid deductible by the taxpayer himself in an annual CIT filing*).

5. **Exemption from real estate tax** – is available across Poland in communes which adopted resolutions allowing for exemption from real estate tax. The duration of the exemption will typically depend on the number of new workplaces created (*aid granted by local authorities upon the motion of the entrepreneur*).

6. **Assistance with the investment set up process and advisory** – Professional services (dedicated PM’s assistance; macroeconomic, legal and sectoral data; business case building; location advisory; site visits), **Implementation assistance** (financing options from Polish Development Fund; investment incentives: grants, tax abatements; database of suppliers and subcontractors), **Antibureaucratic concierge** (after-investment care services; spokesman for foreign investors) (*assistance coordinated by dedicated department within Polish Investment and Trade Agency accessible through invest@paih.gov.pl under the telephone number +48 22 334 98 75 or through the representatives of the Agency’s Foreign Office in Mumbai*).

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**Details of Importers and Exporters in Poland for various commodities and key business contacts:**

1. **Cruz Group** ([http://www.cruzgroup.pl/](http://www.cruzgroup.pl/)) experienced importer and exporter of FMCG products. The Group offers some market entry services to Poland (in the realm of PR, exhibition presence and establishing of a robust distribution network). The Cruz Group is also a global promoter of two own F&B brands: Yoko (organic matcha tea beverage) and VIGO (herbal beverage based on kombucha). In recognition of its outstanding business performance, the company was presented with Polish Agency of Investment and Trade’s Award 2018.

2. **Ceramika Paradyż** ([https://www.paradyz.com/en](https://www.paradyz.com/en)) one of the few leaders of the industry and an experienced exporter of the tiles, ceramic products and ready-made arrangements for B2B and B2C segments. In recognition of its outstanding business performance, the company was presented with Polish Agency of Investment and Trade’s Award 2018.

3. **Grupa Pietrucha** ([http://www.pietrucha.pl/en/id-1-about/the-group](http://www.pietrucha.pl/en/id-1-about/the-group)) a family owned group of companies catering to civil engineering sector. Its geosynthetic products are distributed in 34 countries on 5 continents (in particular regions sensitive to the impact of climate change). The company is very export-oriented. The Pietrucha Group owns three production plants in Poland and the Philippines as well as trading and service companies. In recognition of its outstanding business performance, the company was presented with Polish Agency of Investment and Trade’s Award 2018.
4. **LUG Light Factory**([http://www.luglightfactory.com/en/company](http://www.luglightfactory.com/en/company)) part of LUG S.A. Capital Group – leading European manufacturer of professional lighting systems for users with high technological and usability demands. LUG’s market offering includes a number of industrial and decorative luminaires (both external and internal). The products are compliant with the highest EU standards. In recognition of its outstanding business performance, the company was presented with Polish Agency of Investment and Trade’s Award 2018.

5. **Feerum**([http://www.ferum.pl/eng.o-firmie.html](http://www.ferum.pl/eng.o-firmie.html)) designs and builds comprehensive drying and storage facilities. The company predominantly caters to the producers of cereals, legumes, oily plants, maize and feed. The solutions offered by the company are created according to its own designs (c.a. 85% of the production) – often successfully patented in multiple jurisdictions. In recognition of its outstanding business performance, the company was presented with Polish Agency of Investment and Trade’s Award 2018.

6. **Szyńska Meble**([http://www.szyńska.co.pl/artykuly-main-84-42-EN.htm](http://www.szyńska.co.pl/artykuly-main-84-42-EN.htm)) one of the leading furniture manufacturers in Poland established in 1957. The company offers a range of the furniture products to majority of market segments. In recognition of its outstanding business performance, the company was presented with Polish Agency of Investment and Trade’s Award 2018.

7. **Adamed Group**([https://adamed.com.pl/en/contact](https://adamed.com.pl/en/contact)) one the leaders of the pharmaceutical market in Poland. Adamed Group is dedicated to researching of the innovative therapies and improvement of the medicines currently available in the market. The company is also an seasoned distributor with vast network of partners. Adamed products are currently available in 65 markets. In recognition of its outstanding business performance, the company was presented with Polish Agency of Investment and Trade’s Award 2018.

8. **Astronika**([https://www.astronika.pl/company](https://www.astronika.pl/company)) a spin-out SME company, founded by a group of engineers with vast experience in the development of specialized space mechanisms and project coordination. The company’s expertise lies in these two domains – development of specialized instruments and coordination of space projects. In recognition of its outstanding business performance, the company was presented with Polish Agency of Investment and Trade’s Award 2018.

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**Directory of industry bodies/chambers of commerce:**

**Pracodawcy RP**
7 Brukselska Street, 03-973, Warsaw, Poland  
Tel.: +48 22 518 87 00  
Email: sekretariat@pracodawcyrp.pl  

**Konfederacja Lewiatan**
3 Zbyszka Cybulskiego Street, 00-727, Warsaw, Poland
Poland India Business Council
11 Nowogrodzka Street (5th floor), 00-513, Warsaw, Poland
Tel.: +48 601 202 122
E-mail: info@pibc.pl
www: www.pibc.pl/about-us/

Indo-Polish Chambers of Commerce & Industries (IPCCI)
7 Taśmowa Street, building D, 02-677, Warsaw, Poland
Tel.: +48 22 520 28 02;
E-mail: jisingh@ipcci.pl
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Polish-Indian Chamber of Commerce
11a Zadumana Street, 02-206, Warsaw, Poland
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5 Sienna Street, 70-542, Stettin, Poland
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www: www.wicc.pl/about-us/