



Polska Agencja
Inwestycji i Handlu
Grupa PFR

THE POLISH INVESTMENT AND TRADE AGENCY

Supporting Polish exporters & investors





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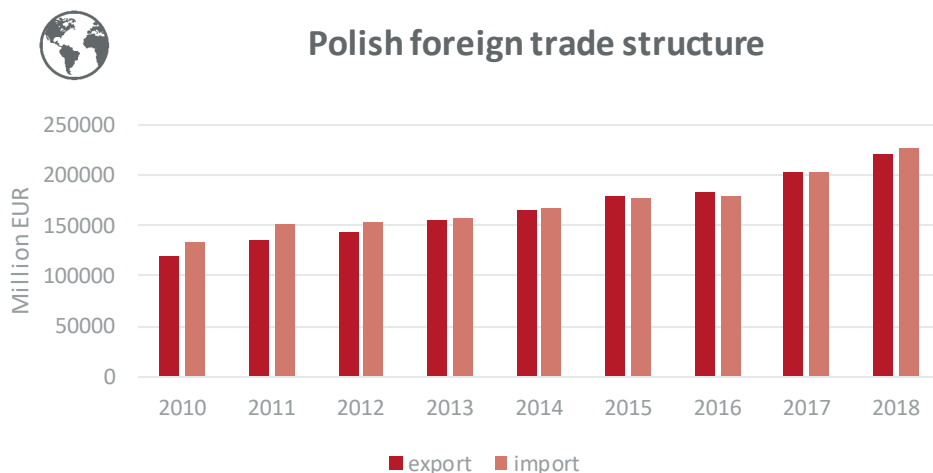
Polish companies business activities in foreign markets



Forging expansion

Trends

Foreign trade is a motor of the Polish economy and an effective tool stimulating the development of Polish business which is dominated by Small and Medium-Sized Entrepreneurs (SMEs).



PLN 940 bn (EUR 221 bn) - value of exports in 2018:

8.3% - average annual increase of exports in 2018

The export of services: average increase by 46% during last 3 years**

The export of goods: average increase by 19% during last 3 years**



One of the main goals, defined within the Polish Government's **Strategy for the Responsible Development** is an increase of the internationalization of Polish enterprises. A growth in foreign expansion will allow Poland to escape "the middle income trap".



Source: GUS | 2018

*Raport o sytuacji mikro, małych i średnich firm w roku 2018, Bank Pekao, przy współpracy PAIH (pages: 140, 144)

**Data of Ministry of Entrepreneurship and Development

Foreign expansion

Polish FDI & exports: size and destinations



Polish FDI

EUR 24.3 bn (PLN 104 bn) is the **total value of Polish FDI**



The annual outflow of Polish FDI in 2017 reached **EUR 2.4 bn (PLN 10.4 bn)**

TOP 5 destinations for Polish FDI

POLISH FDI TOP 5		
#	Country	billion EUR
1	Sweden	1.6
2	Luxembourg	0.9
3	Canada	0.4
4	Norway	0.2
5	Germany	0.1



Where do they go?



Polish Exports

80% of Polish exports go to the EU

EUR 177.6 bn (PLN 763.6 bn) - the value of exports to the EU



EUR 43.6 bn (PLN 187 bn) - the value of exports to non-EU markets

TOP 5 export destinations for Polish business

POLISH EXPORTS TOP 5			
#	Country	billion PLN	billion EUR
1	Germany	21.7	5.1
2	UK	5.1	1.2
3	Czech Republic	4.8	1.1
4	France	4.8	1.1
5	Holland	4	0.9

Foreign expansion

Strategy for Polish SMEs



Where do they go?

TOP 5 export destinations for SMEs by size*

Micro & Small | Medium-sized

	54% 68%
	19% 27%
	14% 22%
	12% 18%
	11% 15%



Strategy

Who exports?

level & strategy of export activity by size of SMEs *

- 27% medium size companies** } long-term business relations with defined group of partners
- 19% small companies** }
- only 12% micro companies** } short-term business relations, limited number of partners

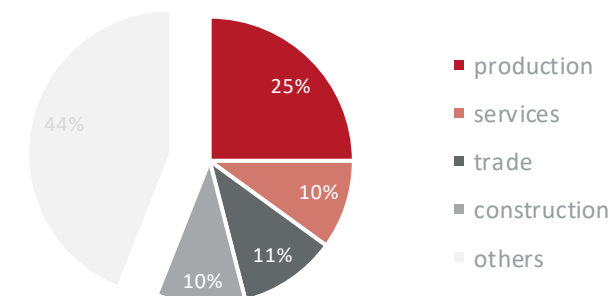
How are business partners attracted?

- Direct contact** +60%
- Internet** 30% (mostly micro exporters)
- Tradeshows** 42% (mostly middle-size companies)



Products or services

Export profile of business*



Main **export barriers for SME**: fear of foreign competition, exchange rate risk, problems with attracting foreign employees, lack of verification of partners credibility and the high costs involved.*

Polish export bestsellers



**Cars & automotive
components**

EUR 25 bn
PLN 107.5 bn



Electronic equipment

EUR 16.56 bn
PLN 71.2 bn



Furniture

EUR 11,08 mld
PLN 47.6 bn



Metal equipment

EUR 10.96 bn
PLN 47.1 bn



Industrial machinery

EUR 9,46 bn
PLN 40,6 bn



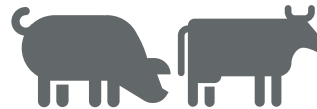
Energy products

EUR 8,37 bn
PLN 35,9 bn



Telecom products

EUR 8.08 bn
PLN 34.4 bn



**Fresh and processed
meat**

EUR 6.16 bn
PLN 26.4 bn



Clothes

EUR 5.96 bn
PLN 25.6 bn



Computers & office equipment

EUR 5.47 bn
PLN 23.5 bn





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Why is it worth operating globally?



Why it is worth exporting globally?

EXPORT BENEFITS FOR POLISH COMPANIES



Business partnerships

Usually Polish companies start exporting by using intermediaries. This strategy stimulated the global network of business relations.



Exchange of know-how

Foreign trade links Polish business with partners representing more innovative economies (such as the US). This stimulates the transfer of technology and know-how and thus, strengthens Polish companies.



The effective scale

Trading globally gives Polish companies access to larger markets than the home one. This effective scale increase Polish business effectivity.



A leading position in new markets

When entering new developing markets Polish businesses can expect less competitive environment than on the domestic market.



More advantages for consumers

The more Polish companies compete globally, the better the quality of their products and the lower the price.



HOW BUSINESS BENEFIT FROM EXPORT*

The Polish companies that are active globally are more optimistic and creative than those who only operate on the Polish market.

Exporters are more innovative:

- Product innovation is implemented by 66% of medium-sized exporters & 33% micro and small-sized exporters.
- Process innovation is implemented by 58% of medium-sized exporters & 18% of micro and small-size exporters.

Exporters are more optimistic regarding:

- Poland's economic development
- The level of revenue generated by the sale of their products and services.

The most popular reasons for starting to export

- Foreign trade is **more profitable** than doing business in Poland.
- The **demand in foreign markets increases faster** than in Poland.
- The Polish **market is too small for them**.
- The **competition in Poland is too big**.
- There is only a **limited number of clients** for their services in Poland.

Why export is important?

BENEFITS TO THE POLISH ECONOMY FROM EXPORTS



Foreign trade is one of the fundamental elements of Poland's economic development

Exports stimulates GDP growth.



„Poland means smart”

Polish high-tech products sold abroad increase the recognition of „Poland” as the trademark of a supplier of high-quality goods & services.



Competitiveness for the Polish economy

Competing in global markets increase the ability of Polish companies to positively develop their products, services and marketing. This strategy brings benefits to the entire Polish economy.



A stabilising effect

Trade relations with foreign markets increase the flexibility of the Polish economy, making it more open to new trade and investment partners as well as creating a more stable environment during possible economic downturns.



A diversified export structure

A diversified portfolio of export products lowers risk in the case of instability on global markets.

STRATEGY FOR RESPONSIBLE DEVELOPMENT



The promotion of exports of high-tech goods and knowledge-based services. Focusing on the so-called „smart specializations” and Polish start-ups.

Stimulating the internationalization of Polish companies through financial support, the removal of barriers and business intelligence.

Finding new destinations for Polish exports especially outside of the EU. Supporting the process of entering new, fast-growing markets.

Promoting the top-export sectors of the Polish economy by Governmental and Non-Governmental institutions.





Polska Agencja
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The Polish Investment and Trade Agency

Everything starts with and is based on information



The Polish Investment and Trade Agency

PAIH. All the help a business needs in one place



SUPPORTING POLISH COMPANIES FOREIGN EXPANSION IN 2018

250+ *export projects served*

370+ *economic missions and B2B meeting arranged around the world*

1600+ *companies took part in PAIH's economic business missions*



The Polish Investment and Trade Agency (PAIH) is responsible for a two-way traffic in business. It is the first point of contact and source of comprehensive knowledge and information for both exporters and investors.

In order to provide the best service for its clients, PAIH is developing a tailor-made offer for Polish SEMs who are looking for new opportunities abroad, as well as for multinational investors who are interested in doing business in Poland.

The Agency implements pro-export projects dedicated to the expansion of innovative Small and Medium-Sized companies. We assist our clients in searching for business niches and help them to manage the risks involved in entering new markets. We are constantly developing our pro-export package.

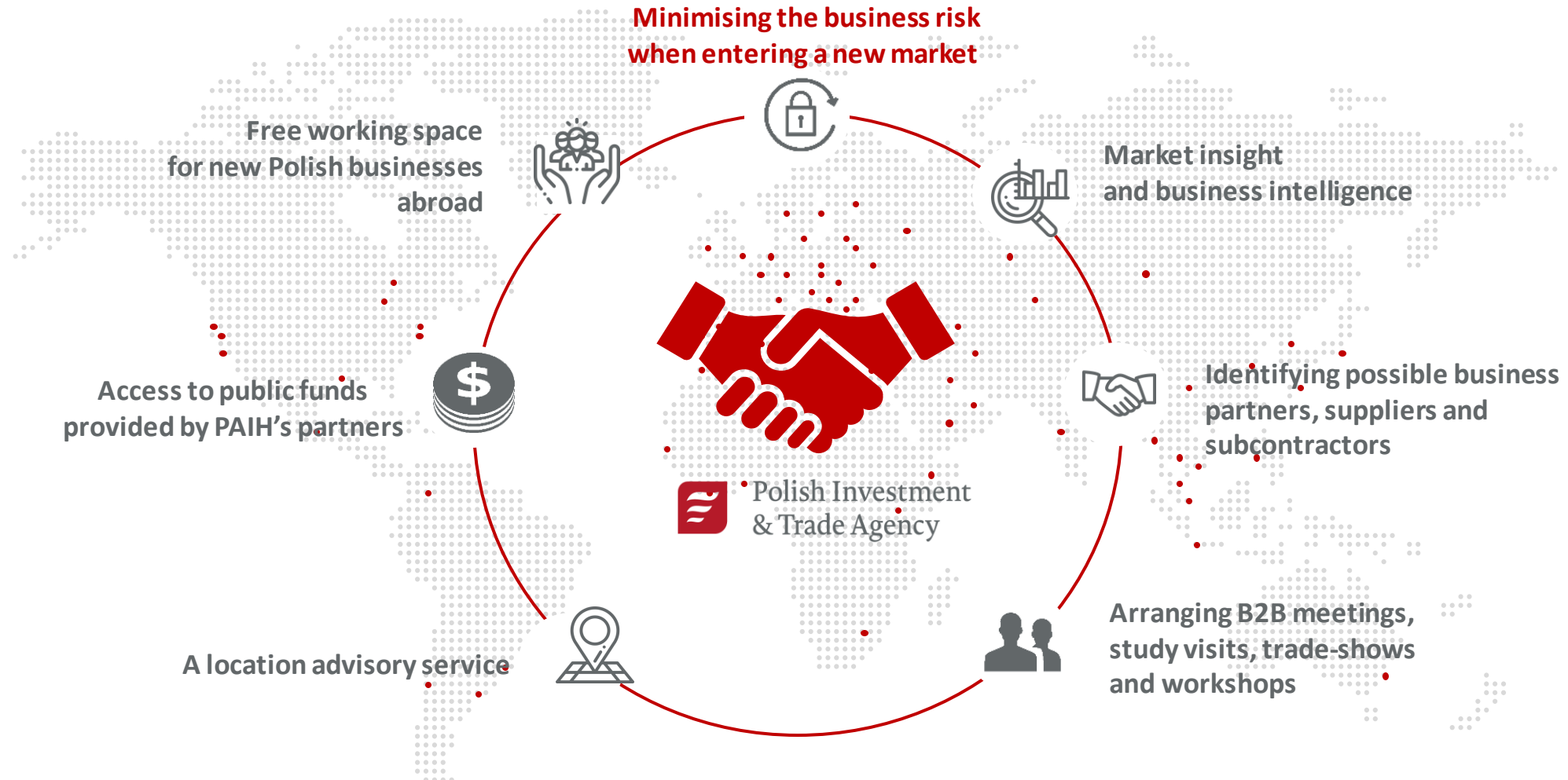
Soon we are planning to introduce a new complex commercial offer.



The Polish Investment and Trade Agency

Supporting foreign expansion

The Polish Investment and Trade Agency runs a **global network of 70 Foreign Trade Offices**. The Trade Offices are located in markets of rapid growth that offer Polish companies the greatest potential. The offices have also been tailored to attract foreign investors and assist them on their way to setting up their businesses in Poland.



The Polish Investment and Trade Agency

PAIH's global network of Trade Offices - 70 locations



Polish Investment
& Trade Agency

PFR Group

The Polish Investment and Trade Agency

PAIH's pro-export programmes

**polskie mosty
technologiczne**
wiedza • kontakty • finansowanie



 PAIH Business Forum

Polish Tech Brigdes

Up to PLN 200.000
in non-returnable public funding

Supporting Polish companies
in creating and verifying their
foreign expansion strategy to
non-EU markets.

When: 2018-2023

For innovative SMEs

www.pmt.gov.pl

A Polish Pavilion at EXPO DUBAI 2020

Partner Programmes
for Polish companies

173 days of promotion of Polish
products and services during the
world's biggest show in Dubai -
EXPO 2020. The event is
expected to draw 20 million
visitors.

When: 20.10.2020-10.04.2021.

For Polish innovators
and Polish regions

www.expo.gov.pl

Poland's top export SECTORS

A Promotion Programme
for 9 Sectors

National stands at the most
important trade shows for each
of the 9 promoted sectors.

When: 2018-2019

The 9 strategic sectors:

Biotechnology, pharmaceuticals, construction,
automotive and aviation parts, yachts and
motorboats, machinery, furniture, fashion,
medical equipment.

www.paih.gov.pl/bpp

PAIH Business Forum

The export & invest forum

The main pro-export business
event in Poland. Promoting what
the PFR Group can offer Polish
exporters.

When: 9.10.2019

Polish companies, investors,
local Government

www.paihexpo.gov.pl



Polish Investment
& Trade Agency
PFR Group

Polish Investment and Trade Agency

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