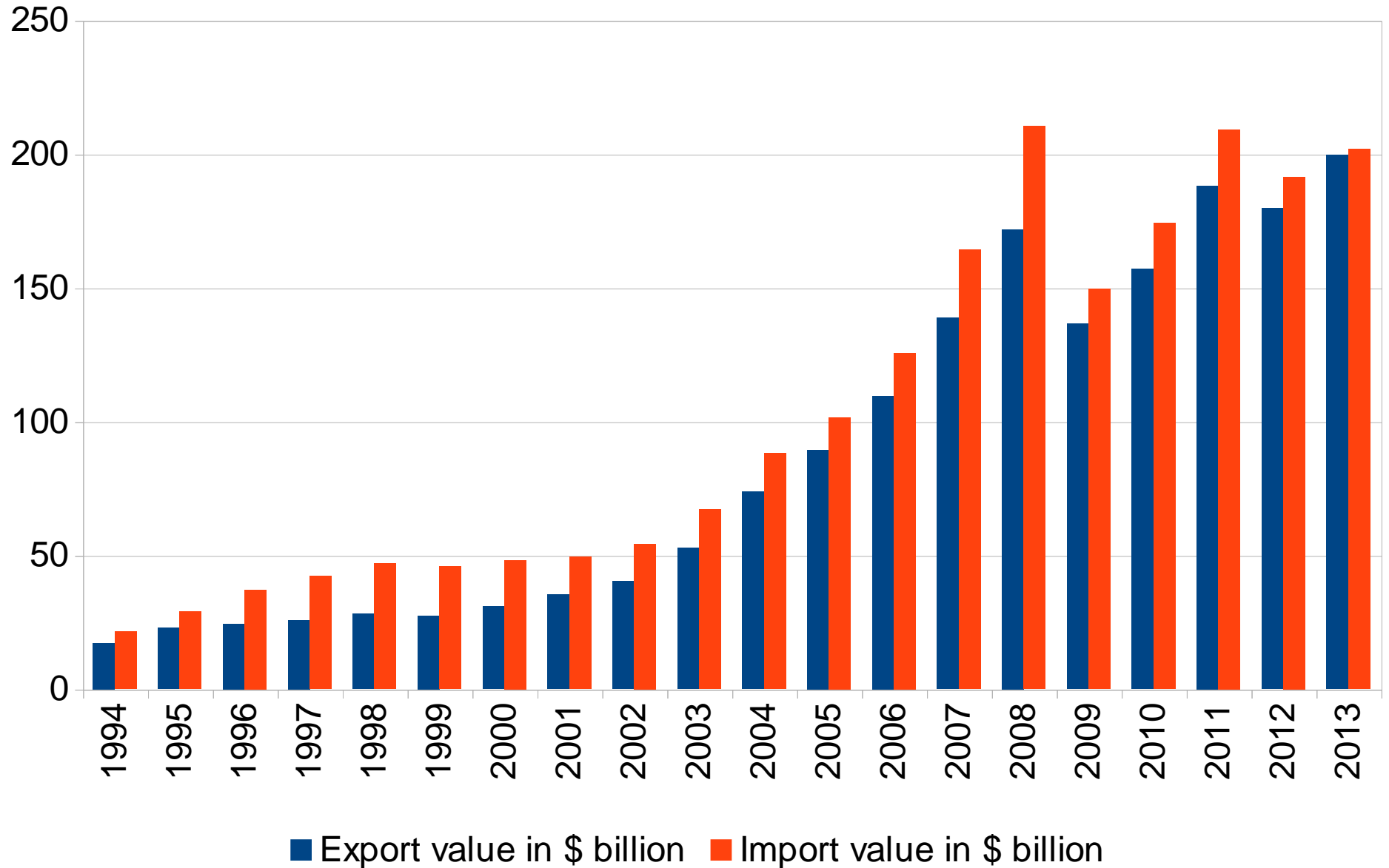


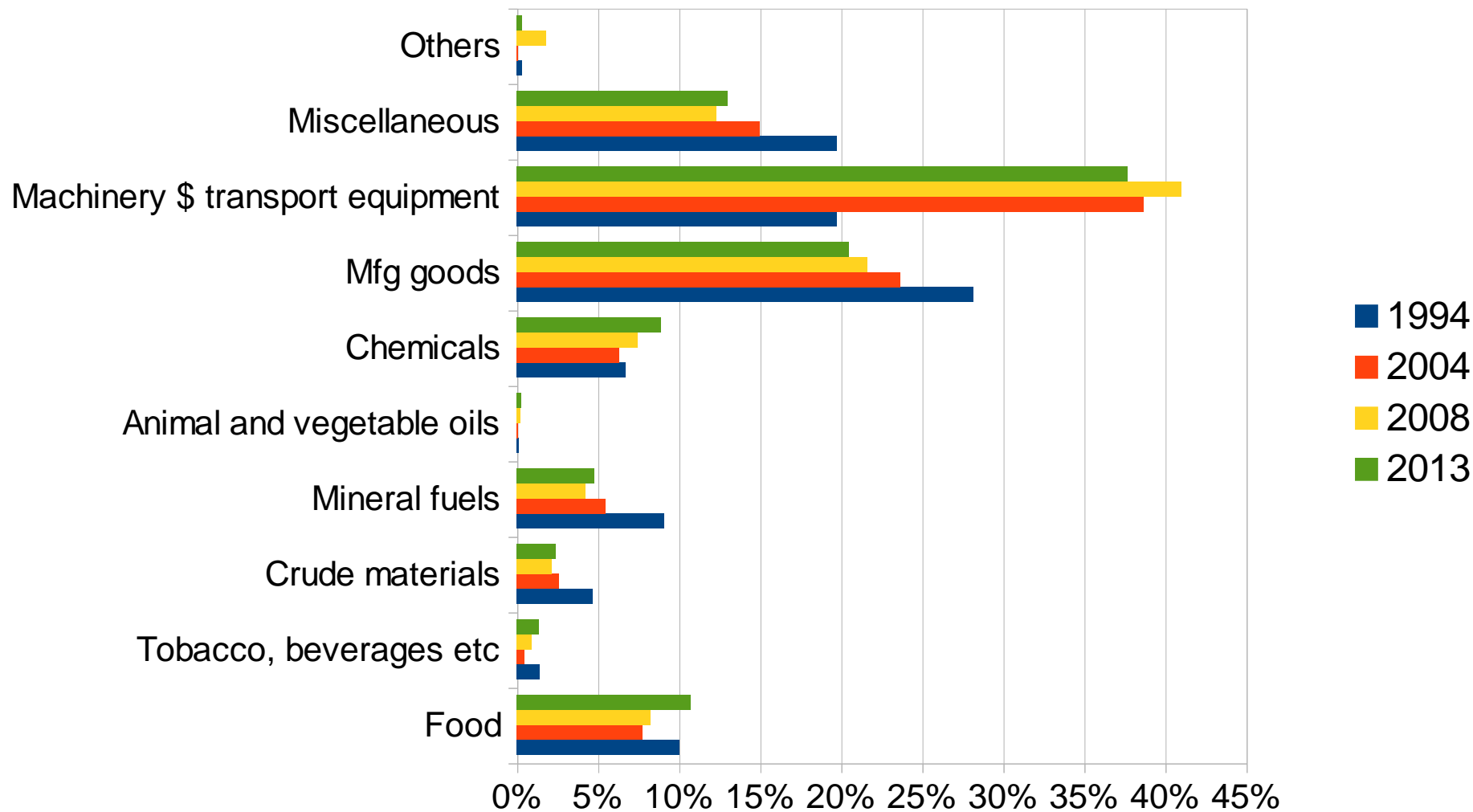
Poland's trade and export promotion experience

Patryk Toporowski, PISM
Kiev 2014

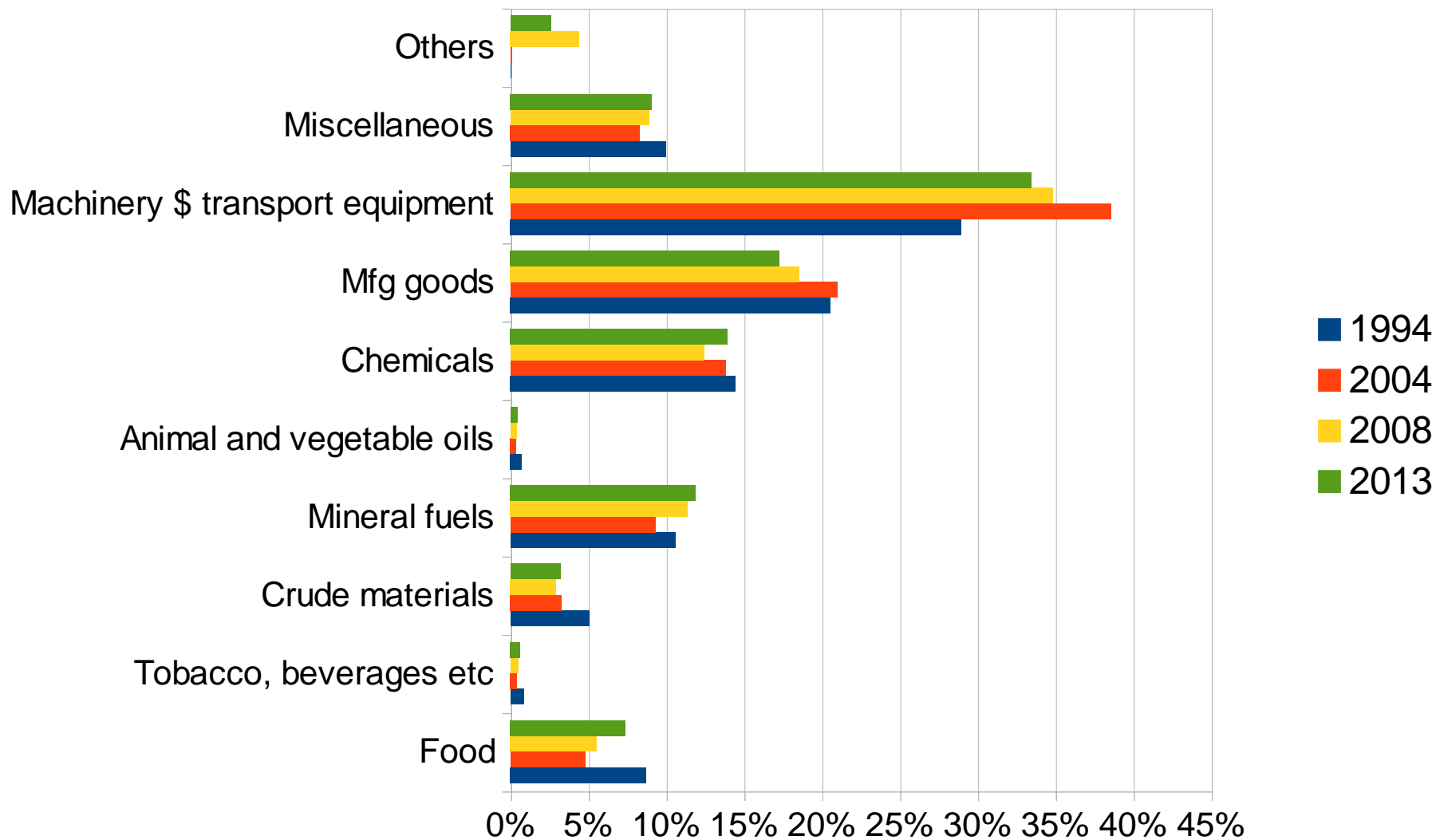
Poland's trade in recent 20 years



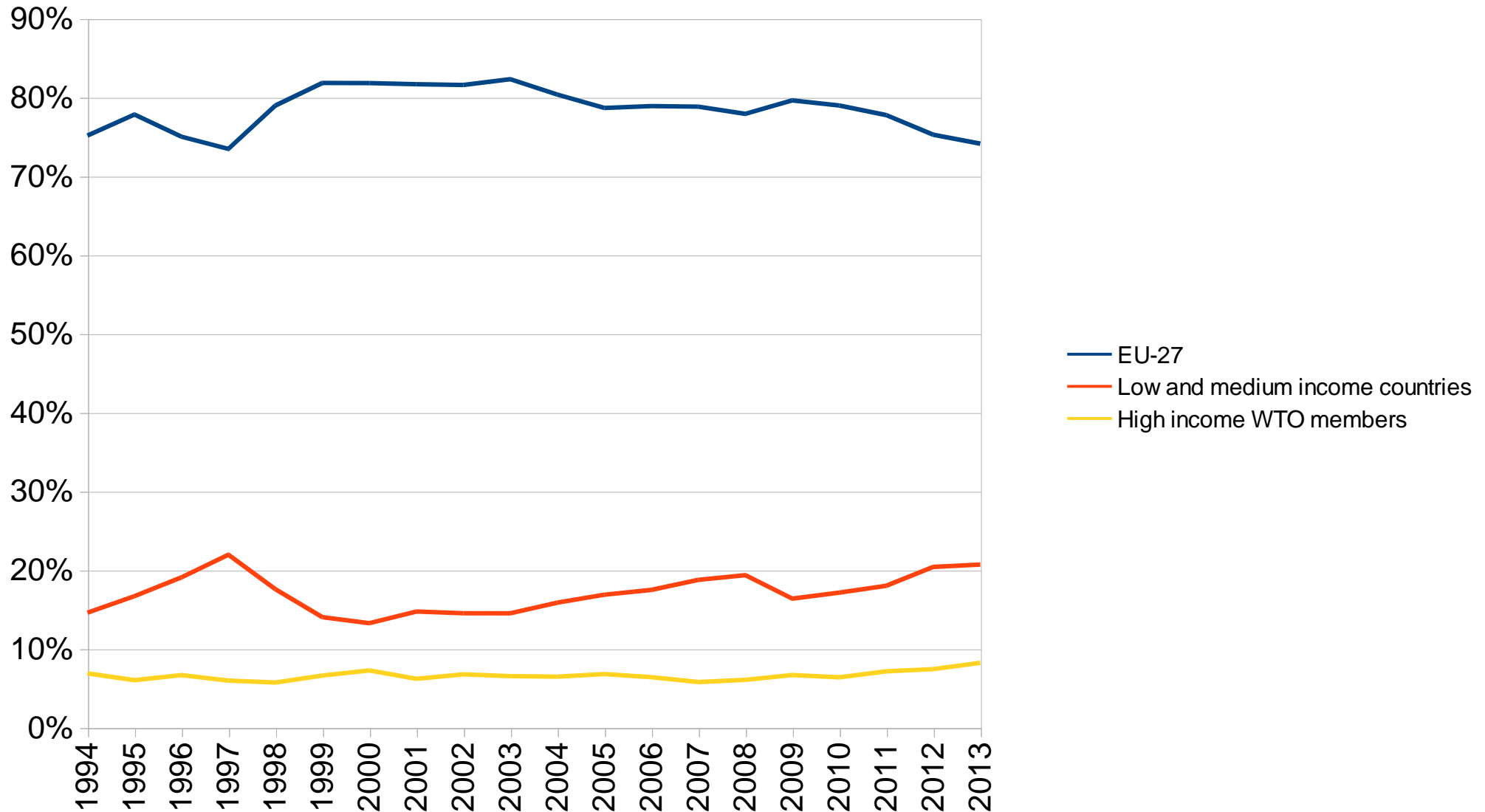
Changes in structure of Poland's exports



Changes in structure of Poland's imports



Main destinations – changes in two decades



Main trading partners (2013)

Import

	Country	Value (milion EUR)
1	Germany	34005,7
2	Russia	19047,3
3	China	14623,3
4	Italy	8356,4
5	Netherlands	6080,0
6	France	5990,6
7	Czechia	5755,3
8	U.S.	4172,3
9	UK	4109,1
10	Belgium	3621,4

Export

	Państwa	Value (milion EUR)
1	Germany	38887,5
2	UK	10078,9
3	Czechia	9596,3
4	France	8702,8
5	Russia	8146,8
6	Italy	6691,3
7	Netherlands	6150,5
8	Ukraine	4307,3
9	Sweden	4207,2
10	Slovakia	4090,6

The importance of the eastern markets

Poland in 2013 exported goods for 14 billion EUR To the Eastern Europe (Russia, Ukraine, Belarus), 10% of total polish exports

In 2013 Russia was 5th destination (8,1 billion EUR; 6,1% yoy change), Ukraine – 8th (4,3 billion EUR; 5,1% yoy), Belarus– 21th (1,6 billion EUR; 16,5% yoy)

In 2013 the eastern markets stood for 24% of exports of plant products and 13% of animal products. But in 2014 a considerable drop in exports of animal products.

Challenges for Polish Trade

High level of dependancy on EU markets

EU economic problems – aftermath of the financial and debt crisis

Limited demand on the Polish market

Export diversification - more attention is paid to fast growing non-European markets, especially in Asia, Africa, South America

Improving ”economic diplomacy”

Promotion of Polish economy worldwide – one of the priorities of the Ministry of Foreign Affairs (MFA) for the period 2012-2016

Main areas of promotion

”POLSKA” brand

High-level political visits and economic missions

Professional business support abroad

Providing information on foreign markets

Financial support

"POLSKA" Brand

Improve the image of Poland and Polish companies in the world

October 2013 – General guidelines

- Human capital as Poland's main asset

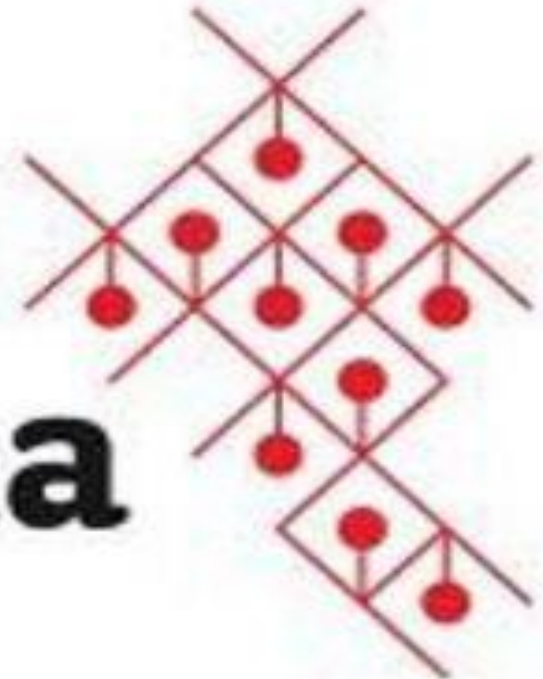
In 2014 – promotion based on important anniversaries:

- 10 years in the EU,
- 15 years in the NATO,
- 25 years of political and economic transformation

Several institutions engaged, incl. MFA, Ministry of Economy (MoE), Ministry of Sport and Tourism, Ministry of Culture and National Heritage, Ministry of Finance, etc.

Efforts are coordinated by Poland's Promotion Council (inter-institutional body)

Polska



"POLSKA" Brand

- Examples of activities:
 - - cultural events and festivals (Adam Mickiewicz Institute)
 - - business conferences
 - - exhibitions
 - - national stands at international trade fairs (e.g. Expo)
 - - promotion in foreign media
 - - common economic projects
 - - Programmes: GreenEvo (Ministry of Environment)

High-level political visits and economic missions

Lack of political support – a big obstacle for export

Economic missions coordinated by MoE

Especially important in the context of high-valued contracts

Professional business support abroad

Polish embassies (under MFA)

- nearly 90 embassies worldwide
- promotion of general interests
- macroeconomic and political analysis

Trade and Investment Promotion Sections (under MoE)

- 48 sections in 43 countries
- practical support for Polish entrepreneurs: e.g. links with local business, organising economic missions, stands at fairs, etc.

Embassies – appraised according to level of business support

Obscure division – overlapping duties

Providing information on foreign markets

- Comprehensive information on opportunities and barriers in doing business on foreign markets
- Realized by various institutions, incl. MoE, Polish Information and Foreign Investment Agency (PAIIZ) or The Network of Investors and Exporters' Service Centres (COIE)
- 2 special programmes – GoChina and GoAfrica
- Consultations with business
- Information available on the several web pages, e.g., www.polska.trade.gov.pl, www.eksporter.gov.pl
- Information dispersion

Financial support

Direct financial support (MoE) – particular activities (trade fairs, certificates, etc.)

EU Funds (coordinated by MoE), including:

- 7 prospective export markets (Algeria, Brazil, Canada, Kazakhstan, Turkey, Mexico, United Arab Emirates)
- 15 prospective branches (incl. furniture, jewellery and amber, IT/ITC, pharmaceuticals, medical equipment)

Other financial instruments supported by state, e.g. export credits (Bank Gospodarstwa Krajowego – BGK) and insurance of export credits (Export Credits Insurance Corporation – KUKE)

Challenges

MFA and MoE - unclear division of duties

Polish embassies and Trade and Investment Promotion Sections –
geographical deployment and lack of staff

Financial support – insufficient flexibility

Information on foreign markets – dispersed

Efforts at coordination

Considered solutions

Improving existing system

The leading role of MFA

Creation of a new specialised Agency (on basis of existing structures) – similar to the United Kingdom Trade and Investment (UKTI) or España Exportación e Inversiones (ICEX)

Possible changes - examples

Re-location of embassies and Trade and Investment Promotion Sections (to non-European countries)

Outsourcing (local employees)

Paid services (specialised analysis, translations, etc.)

”Polish houses” (co-financed by business)

Enhanced relations with Polish diaspora and graduates of Polish universities

Development cooperation

Training in foreign branches of Polish companies

New alternative destinations – where PL could sell its goods?

Deterioration of the business prospects on the
East

EU – relatively conquered market

Extra EU markets – huge potential

It is an incentive to diversify the export
destinations.

Thank you!