



Poland

The Warmia and Mazury Region is located in the north-eastern part of Poland, in a very attractive area – from the north it borders with the Kaliningrad Oblast of the Russian Federation, from the west, via the Vistula Lagoon, it overlooks the Baltic Sea. The distance between Olsztyn and Warsaw is 220 km, between Olsztyn and Gdansk – 180 km, between Olsztyn and Torun – 170 km, and to the border crossing with Lithuania at Budzisko – slightly over 220 km.

With the surface area of over 24 thousand square km, the Warmia and Mazury Region ranks fourth in Poland. It has a population of nearly 1,5 mln. The administrative division includes 116 communes and 19 districts.

The capital of the region is Olsztyn, with the population reaching 180 thousand. Other important towns include Elblag (130 thousand inhabitants) and Elk (60 thousand inhabitants).

Basic Information

Roads

There are numerous state roads in Warmia and Mazury, ensuring good road connections within the region. Main thoroughfares of the region are provided by the following state roads:

- no 7: Gdansk - Olsztynek - Nidzica – Warszawa, to the border with Slovakia in Chyzne
- no 16: Kieselice - Olsztyn – Elk to the border crossing with Lithuania in Ogrodniki
- no 51: Olsztynek - Olsztyn - Bartoszyce – to the border with the Kaliningrad Oblast in Bezledy
- no 65: from the state border with the Russian Federation through Goldap - Olecko - Elk - Bialystok to the border with Belarussia.

The Warmia and Mazury Region borders directly with the international road corridor Via Baltica from Finland through Lithuania, Latvia and Estonia to Warsaw.





The roads in the region are successively modernized. Thanks to the Regional Operational Program, in the years 2007 – 2013 the total amount of more than 350 000 000 euro was obtained for road investments from the EU funds.

Railways

The railway network provides good connections between the biggest cities in the region. From the capital of the region one can travel to all the biggest cities in Poland.

The connection with the Kaliningrad Oblast is possible thanks to the roads running through Elblag and Braniewo. Every year more railway lines are modernized and railway carriages are replaced.

There are already several modern railbuses providing passenger transport services in the region.



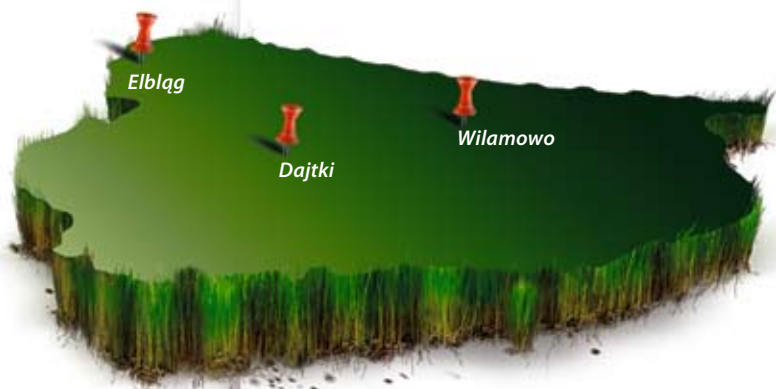


Airports

In Szymany near Szczytno is situated the international "Mazury" Airport which serves mainly the small aviation traffic and chartered flights.

In Wilamowo near Ketrzyn the Land of the Lakes Aeroclub and the Aviation Department of the Warmia and Mazury Office of the Border Guard are active. Currently, the airport serves sport, tourist and managerial flights. In the summertime (from May to October) the aeroclub organizes numerous cyclical aviation events which can be accessed by the viewing public.

The Dajtki airport in Olsztyn is a civilian-sport airport, located about 4,5 km from the city centre. The airport belongs to the Aeroclub of Warmia and Mazury. It includes sections such as paragliding, parachuting, and it offers training for glider and airplane pilots. The airport is used by the Aviation Emergency Service. In the Warmia and Mazury Region there are currently functioning 23 landing sites. The fastest developing landing sites are located in Gizycko and Gryźliny.





Sea Ports

The only sea port in the region is situated in Elbląg on the Vistula Lagoon. It has 2,5 km waterfront. In the area of the port there are corn elevators, railway sidings, repair docks, and numerous yachting bases. Apart from them, at the Warmia and Mazury Region well-developed inland navigation is functioning. The greatest ports are located in Ostroda, Gizycko, Mikolajki and Wegorzewo. They serve the needs of passenger-tourist traffic.

Elbląg is a regional port, providing services for the lagoon and Baltic coastal shipping and passenger-tourist navigation.

Border crossings

The Warmia and Mazury Region is neighbours with the Kaliningrad Oblast of the Russian Federation. The over 200 km section of the Polish-Russian border is the external border of the European Union. There are six border crossings: road border crossings in Bezledy, Gronowo, Goldap, and railway border crossings in Braniewo, Glomno, and Skandawa.





Infrastructure

The region is powered with electric energy thanks to external sources; within the region only a small amount of electric energy is produced in water power-plants. There are over 462 thousand consumers of electricity in the region. Average consumption per year is 971,3 GW-h. The Warmia and Mazury Region is a perfect place for developing alternative energetics. There exist advantageous natural conditions for growing the so-called energetic plants and suitable locations for companies which specialise in producing power, and windmill farms.

There is a science and research infrastructure for the development of this sector. The University of Warmia and Mazury in Olsztyn conducts research concerning the industrial use of natural resources in renewable energy.



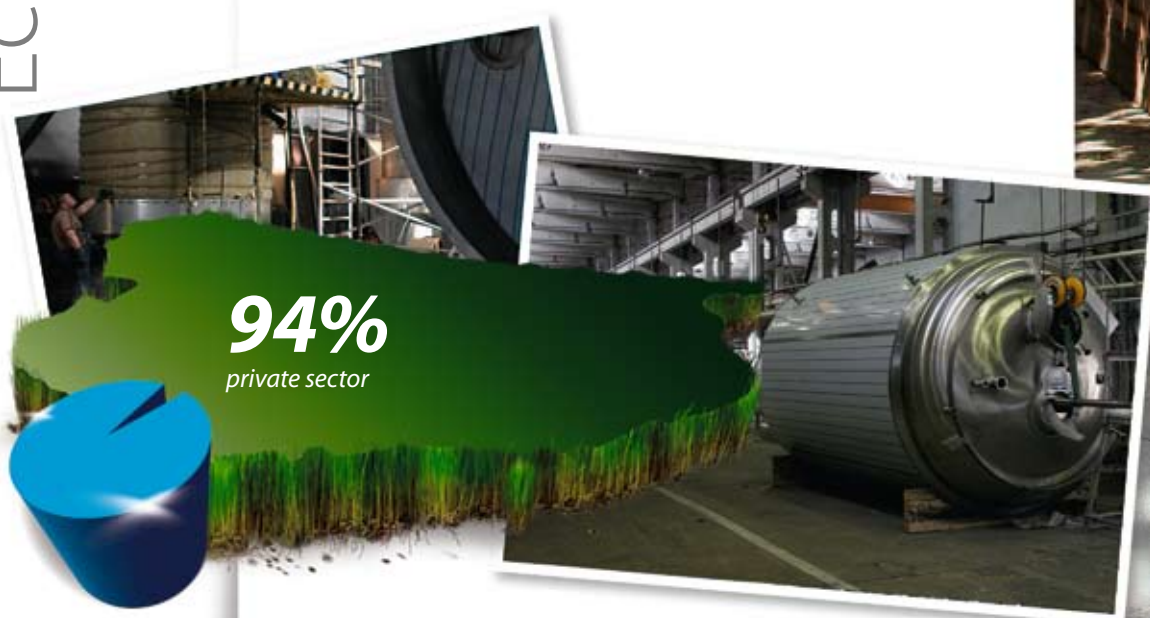


Economy, industry and labour market

In the Warmia and Mazury Region over 113 thousand economic entities are registered. The private sector has a dominant position – 94%.

In the public sector nearly half of the entities (49,4%) provide services for companies and immovable property. More than 28% entities are connected with education, 8,3% - with public administration, and 5,4% - with health protection.

In the Warmia and Mazury Region there are 434,6 thousand employees. In the year 2007 the average employment in the companies of the region amounted to 142,6 thousand and was 4,4% higher in comparison with the previous year. In the public sector the employment decreased by 0,7%, whereas in the private sector it increased by 5%. The average monthly salary in the company sector at the end of July 2008 amounted to PLN 2603,67.





A growth of employment was noted in most sectors of the local economy, with the biggest increase in hotels and restaurants – by 17,5%.

Economy, industry and labour market

The main branches of the economy are as follows: the production of food, wood industry, proecological forestry sector, ecotourism, building, production of tyres, machines and equipment produced with the use of clean industrial technologies and renewable sources of energy.

The production of food articles and drinks is the most important economic activity in the region, with its value reaching 1/3 of the value of all production sold in the region. Food processing is based largely on high quality local materials, produced in a clean natural environment.

The articles of food producers are reckoned on a national scale and a large percentage of their products are exported. Of particular significance is the production of machinery for the plastic forming of metals (46% of national production – first place in Poland) The region also has a significant share of the national production of tyres and sawn timber. Of great importance is also the production of wood articles, and, above all, furniture.





*Important information:
The industry of the region has attracted the attention of numerous foreign investors, mainly from France, the Netherlands, Germany, and Sweden.*

Agriculture

Agriculture plays an important role in the economic structure of the Warmia and Mazury Region. More than a half of the 24,2 thousand square km of the region's area is taken by agricultural land. About 17% of those employed in the region work in agriculture and forestry. As far as the area of an agricultural holding is concerned, the Warmia and Mazury Region holds the second place with an average size of 21 ha.

The agricultural activities in the region concentrate on producing and processing on, a market scale, primarily cereals (79,4% of the sown area) and potatoes (3,8%). Mainly poultry, pigs, cattle and horses are bred, and small quantities of fruit are also produced.





Important directions:

The region attaches more and more importance to the agricultural production with the use of ecological methods and materials. The number of ecological farms is systematically growing: from 33 in 1999 to nearly 600 in 2006. Similarly, the area of ecological field crop production rose from 1 264 ha to nearly 26 thousand ha.

Foreign investment

In the past few years the level of investment in the Warmia and Mazury Region amounted to 2-3 per cent of the investment in the whole country. Of greatest importance are the industrial investments which constitute, similarly to national average, about 1/3 of investment layouts.

The biggest foreign investors in the Warmia and Mazury Region are: Michelin (France, tyre production in Olsztyn), Saflin (France, flax processing in Milakowo and Szczytno), Philips Lighting (the Netherlands, electromechanical industry in Ketrzyn), Heineken (the Netherlands, brewery in Elblag), Ikea, (Sweden, furniture factory in Lubawa), Alstom Power (turbine production in Elblag), Smithfield Food (USA, shareholder in the Meat Plant in Elk, Morliny and Ekodrob in Ilawa).





Warmie and Mazury | A thousand lakes a thousand opportunities

Tourism

The Warmia and Mazury Region is characterized by great tourist and natural values on a European scale. The landscapes, forests, lakes, clean natural environment, as well as numerous relics of architecture and culture, archeological sites and places of historical interest make this land unusually attractive. Above all, the region is a perfect place for the development of recreational functions and qualified tourism – sailing, hippics, pedestrian tourism, bicycle and car tourism.

The Warmia and Mazury Region is particularly suitable for active tourists. In summer it attracts sailors, canoeists, windsurfers, divers and anglers, while in winter it attracts the amateurs of sled dog racing and traveling, ice-boaters, and skiers, who can practice their skills on the slopes of Piekna Mountain near Goldap, Czterech Wiatrow Mountain near Mragowo, Krzyzowa Gora in Lidzbark Warminski and numerous other areas which are attractive from the point of view of cross-country skiing.

The presence of ecologically clean natural environment, the scenic beauty of the land (2 thousand lakes, landscape parks and natural reserves, huge forest complexes, relics of architecture), good environment for sports and recreation, and very well developed hotel and gastronomy infrastructure make the Warmia and Mazury Region the ideal location for investment.



Olsztyn



*Important information:
According to official statistics about three million tourists visit Warmia and Mazury annually, out of whom about one million are foreign tourists, mainly from Russia and Germany.*

Commerce

Nearly 30% of the natural persons conducting economic activities in the region work in the field of commerce. Apart from individuals handling commerce, the region also has international store chains such as Tesco, Real, Carrerfour, Obi, Praktiker, Makro, or Jeronimo Martens. In bigger cities there are commercial galleries, such as Alfa Centrum in Olsztyn.

In spring and autumn numerous trade fair events are organized in Olsztyn. The biggest and the most popular trade fair events are held in the city centre, in the "URANIA" hall. Among the exhibitors there are producers and distributors of construction technologies and materials, furniture for flats and offices, heating and sanitary systems, as well as providers of agriculture products and equipment for agriculture.



Olsztyn



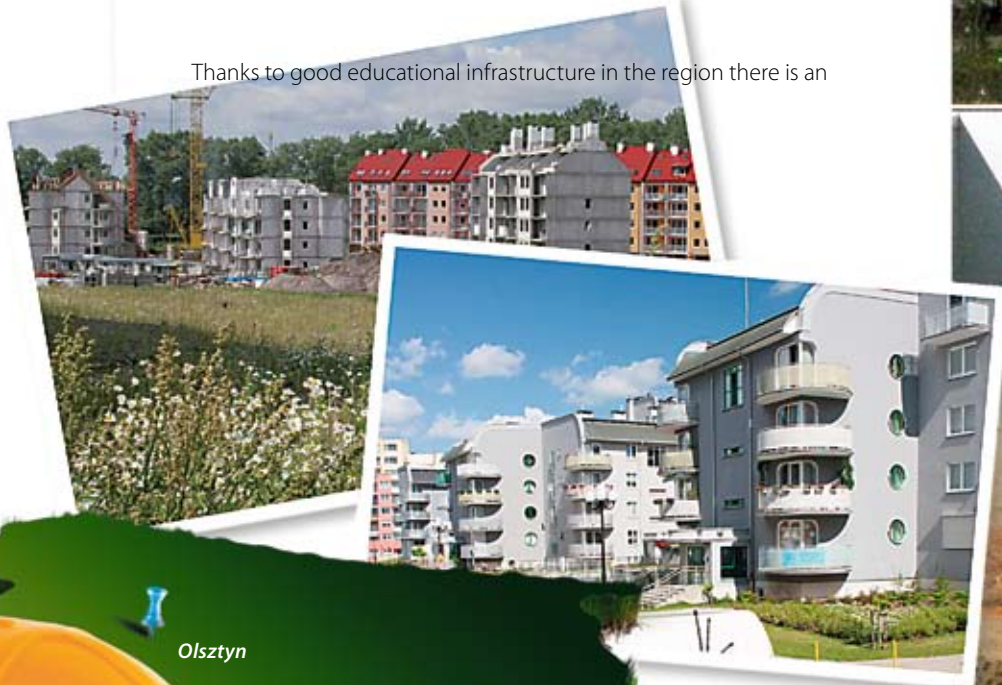


Building

The number of flats and houses in the region increases every year. According to preliminary data, 5845 dwellings were completed in the region in the year 2007, i.e. 30,8% more than in the year 2006. The building investments comprised mainly residential cooperatives, developer systems, flats for rent and detached houses. The construction sector has also greatly benefited from the existence of fast developing service and production companies.

In order to meet the needs of the investors, particularly in bigger cities, the number of plots developed for construction purposes has been significantly increased. More investment areas are serviced with gas, water and electricity, and the road infrastructure is constantly being developed.

Thanks to good educational infrastructure in the region there is an



Olsztyn





Education

easy access to highly qualified labour force. In the academic year 2005/2006 16 higher education schools functioned in the Warmia and Mazury Region. More than 60 thousand students studied there, including 50% full-time students.

The biggest higher education institution, with the greatest science and research potential, is the University of Warmia and Mazury in Olsztyn – over 40 thousand students. Its most renowned and popular specialties include biotechnology, animal bioengineering, geodesy, spatial development, environment protection, mechanics, and agriculture.

Step by step, the higher education schools in the region realize projects using the money from the state and EU funds in order to improve the social and educational infrastructure, which, in turn, makes it possible to offer a high level of teaching and research and development activities connected with the process of teaching.



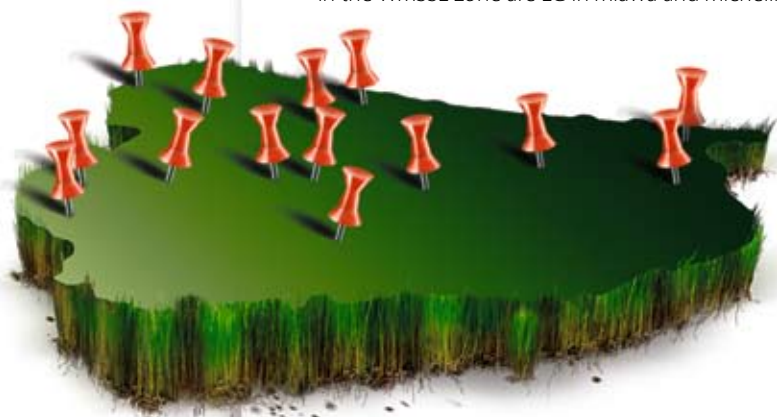


There are 22 research and development units in the region. The research and development potential in the region is concentrated primarily at the University of Warmia and Mazury. The university is noted for great achievements in research and development activities and for successfully implementing inventions, particularly in fields such as milk industry (new technologies of ripening cheeses, white cheese, crem, caseine), meat industry, fruit and vegetables processing industry.

Economic zones

The economic activity in the region of Warmia and Mazury, including the creation of new jobs, has been greatly facilitated by the functioning of the Special Economic Zone (WMSSE) with 18 subzones (Bartoszyce, Ciechanow, Dobre Miasto, Elblag, Ilawa, Ilowo, Lidzbark Warminski, Mlawa, Morag, Mragowo, Nowe Miasto Lubawskie, Olecko, Olsztyn, Ostroleka, Ostroda, Paslek, Szczytno and Wielbark) and two subzones of the Suwalki Special Economic Zone (SSSE) – including Elk and Goldap. WMSSE covers the area of 524,07 ha, whereas SSSE (the data refer only to Elk and Goldap) covers the area of 155,8 ha. The above mentioned special economic zones create a business-friendly environment for investors, particularly thanks to the efforts of the local governments and numerous organizations and institutions which aim at improving the conditions for economic activities. The business-related services in the above cities and towns are provided by consulting companies, branches of banks, design offices, insurance companies, and law offices.

In the direct vicinity of WMSSE there are road and railway border crossings. In the national ranking of the 14 special economic zones functioning in Poland, WMSSE took the second place behind Katowice Special Economic Zone. In addition it won the ranking as far as getting investors is concerned (the value of investment amounted to over 1,5 bln PLN), and a very good third place as far as land management is concerned (56,3%). Currently there are 24 companies operating within the zone, mainly small and medium businesses. The biggest investors in the WMSSE zone are LG in Mlawa and Michelin in Olsztyn.





In order to attract investors it is necessary to prepare investment offers and locations which are ready to absorb investments. According to the information of Polish Information and Foreign Investment Agency, with 62 offers of attractive areas for investment, the Warmia and Mazury Region holds the third place in the country in the investment attractiveness ranking, after the regions of Lower Silesia and Masovia.

Why is it worth investing here?

The advantages of the Warmia and Mazury Region:

- lands for investment available
- attractive geographical location – the region lies at the external border of the European Union with Russia, in the area of the Baltic Sea and in the vicinity of the planned A1 and Via Baltica expressways
- favourable natural conditions for developing tourism, agritourism, recreation, health resorts and the so-called “clean” industry
- huge agricultural and food and agriculture production potential
- easy access to highly qualified labour force – good educational infrastructure
- regular, well developed road network
- economic sectors characterized by strong innovative potential (production of yachts)
- the presence of big national and foreign companies
- the average yearly GDP growth above the European average.





ARMIŃSKO-MAZURSKIE
Olsztyn

MAZOWSZE
Warszawa

LOCAL OFFICES AND INSTITUTIONS

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