Since 1990, Poland has been the fastest growing economy in Europe and the growth has continued strong in the recent years. The new government has taken supporting innovations as one of its main focus areas, and the government is looking for new models from the Nordic countries and will launch a new innovation program this year. Poland will receive EUR 82B from the EU’s structural funds during the period 2014–2020. Together with Poland’s own funding, this will create an investment program of over EUR 100B in the upcoming years. The Małopolska region around Kraków is the 2nd biggest receiver of the structural funding in Poland. The main goals of the funding are: to support entrepreneurship by developing ICT technology, to develop traffic infrastructure, healthcare and environment protection with special emphasis on waste management, water infrastructure and district heating.

The TEAM FINLAND visit of Minister Toivakka and the Business Delegation to Poland in June 2016 will focus on the following industry sectors:

- Municipal Cleantech (water and waste water, district heating & CHP, municipal solid waste management)
- Agricultural Technologies
- ICT (Internet of Things, MaaS)
- Healthcare.

### Municipal Cleantech

- District heating and CHP; Poland will invest remarkably in the district heating network and several billion euros in CHP and waste burning facilities, including bioenergy.
- Managing water and sewage: Poland will invest several billions of euros e.g. in water infrastructure; including 20 000 km of sewer networks, over 200 new or modernized sewage treatment plants and over a hundred sludge treatment plants.
- Managing municipal waste: Poland will invest several billions euros in municipal waste management; collection, recycling, sorting and waste treatment plants. Also, more than ten 200 MW waste burning plants will be built in the next few years.
- EU structural funding is the main source of financing these investments. The allocation for the above mentioned sectors is as follows: 2.2 billion for district heating, 2.4 billion for water infrastructure and 1.3 billion for solid waste management.

### ICT

- Internet of Things is expanding strongly in Poland, and the market of IoT is expected to reach USD 3.1B. The IoT market has grown with an average of 19% annually since 2014. Experts predict that the fastest growing sector of the market will be car fleet monitoring and management. Other fast growing areas are expected to be: smart energy networks, manufacturing & management of production resources. The IoT development will at the same time create increasing need for cybersecurity solutions.
- Operational Program Digital Poland will provide as much as EUR 2.2B to be allocated to projects related to high speed internet, e-government and digital competences of the society in years 2014-2020.
- The 3rd largest market in the world and the largest in Europe for business process outsourcing and shared service centers; around 20 Finnish companies have placed significant R&D, SSC and outsourcing operations in Poland.

### Agriculture

- Poland is a major global and European agricultural, horticultural and animal producer. It is one of the most remarkable agricultural countries in the EU with 14.5 million hectares of arable land and 1.4 million farms. There are almost 32,000 farms with an arable land of more than 50 hectares; 11,000 out of them with at least 100 hectares of arable land. The average size of the farms has been growing in recent years.
- Poland has an important share in the agri production in the EU-28. The range of agricultural output is well diversified. In 2014, country was the largest producer of apples (26.4% in the EU-28), poultry meat (15.1%), carrots (16%), and berries e.g. blackcurrant (75%) or strawberries (18.8%). Poland is 2nd in Europe rye and oats producer. Country output in pig breeding is one of the largest in the EU. Poland is also a significant producer of: potatoes, milk, tomatoes and tobacco.
- The Polish market is large and offers a lot of potential. One million farms own a tractor, number of farms using plant protection is growing and the farmers are willing to invest in equipment increasing productivity, which in comparison to their EU peers is low. Some of modernization investments can be financed from the Rural Development Program 2014-2020. The Program’s budget amounts to more than EUR 13.5B to be spent on improving competitiveness of agriculture and supporting sustainable natural resources management.

**Sources:** Finpro Poland, Embassy of Finland, Warsaw

### Healthcare sector in Poland

- Polish healthcare market is about EUR 30B market with an annual growth of 3.8%. There are 6 beds per a thousand inhabitants; the number is among the highest in Europe. Large rearrangements are expected into the hospitals of Poland during the next few years due to, among others, demographic changes and transition towards the non-institutional healthcare.
- For the healthcare sector development Poland receives help from EU-structural funds. In the next financial term 2014-2020, about EUR 3B is used for the investments of the sector. The allowances have been directed to a healthcare infrastructure, IT projects of the healthcare sector and to the public e-services, eldercare and to enhance the availability of high-quality health services.
- Private healthcare sector is estimated at EUR 10B and the growth will be significant (approx. 7%) in the following years due to the growth in GDP and consumption. Hospital tourism is already a big market in Poland and the 6-8 thousand hospital patient market grows 12-15% every year. The majority of the patients are customers of a dental care, health resorts, spas or nursing homes.
- The number of people aged 65+ is projected to rise from 5 to 8 million in the next 20 years. The growth of healthcare services is a global trend; however, exceptionally quick 6 percent growth per year can be expected in Poland. The becoming common of chronic illnesses, the changing family models affect this and the increasing number of the one-person households in the society. There also are signs of the fact that Poland is becoming a popular place to live for European pensioners.

**Sources:** PwC Poland, WBJ Observer July/August 2015/PMR

**Pictures:** Polska – Official Promotional website

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