

Economic Bulletin

Sixteen foreign investment projects in 1st quarter - PAIiZ

The Polish Information and Foreign Investment Agency (PAIiZ) closed 16 investment projects worth 650 mln euros in the 1st quarter of 2008, PAIiZ said. Jobs will be created for 4,1000 people.

The projects came from EU countries (3 from Germany, 1 from Belgium, Great Britain, Portugal, Ireland and Sweden each) as well as from Japan (2), China, India (2), the U.S. (1) and South Korea (1). Over 4,100 new jobs are to be created.

Decisions on investments have been made by 2 investors from Japan, China and India each as one from the US and one from South Korea.

Investments in the paper-making industry will amount to some 433 mln euro. Some 51 mn euro will be assigned for investments in the chemical sector, 41 mn euro in motorisation.

More than 840 jobs will be created in the automotive sector and some 900 workers will be sought by servicing centres.

PAIiZ runs some 150 projects with investments from the US and Japan accounting for the biggest number. Projects in the motorization electronic and servicing centre sectors account for the biggest number of investments.

Finance ministry prepares draft amendment to tax law

No tax decision will be made until they are final and taxpayers receive a 7-day notice about a possible inspection at their workplace, according to main guidelines of the draft amendment to the tax law. The finance ministry has sent the draft amendment to the law to other ministries for consultations. The document is bound to take effect as of January 1, 2009.

The non-execution of a tax offices' decision until it becomes final is one of the most important changes. Until to-date a taxpayers who wishes to appeal from the tax office decision and

■ In 2007 Gross Domestic Product GDP rose by 6.6 percent, Central Statistical Office GUS reported on Friday. Earlier forecasts spoke about a 6.5-percent growth, GUS said.

■ In March 2008 the prices of consumer goods and services grew by 4.1 percent against March 2007 and by 0.4 percent against February 2008, the Central Statistical Office (GUS) announced on Tuesday.

■ In 2007 direct foreign investments in Poland totalled 12 billion 834 million euros, down from 15.1 billion euros in 2006, the National Bank of Poland (NBP) reported in a statement on Wednesday. NBP reported that 85.3 percent of all investments came from the EU countries.

■ In March 2008 industrial production went up by 0.9 pct year-on-year after a 15 pct growth y/y in February and a 0.7 pct m/m growth in March 2008, the Central Statistical Office (GUS) has said.

■ Foreign trade deficit after February was at 2 bn 806 million euro, the GUS has reported.

■ In March 2008 the finance ministry paid 157.4 million euro in interest on forming debt and 1,025.9 million euro on principal.

■ After March 2008 the budget reported a surplus of 3,105.3 million zloty against the planned annual deficit of 27,090.6 million zloty, the finance ministry reported. The sta-

not to pay additional tax has to do so heedless of the decision being subject to appeal. The ministry believes that „irreparable damages have been made” so far by decisions that had to be revoked. The ministry also wants taxpayers to be issued a 7-day notice about a planned tax control at their place. If the inspection is not carried out in 60 days the taxpayer will have to be issued another notice.

te spending stood at 62,782.2 million zloty or 20.3 pct of the sum of 308,982.7 mn zloty planned for 2008. Revenues were at 65,887.5 mn zloty or, 23.4 pct of the annual plan of 281.892.1 mn zloty.

■ The average gross wage in March totalled 3,144.41 zlotys (1,449.0 USD) and was 10.2 percent higher than in March 2007 and 3.7 percent higher than in February 2008, the Central Statistical Office GUS said on Tuesday.

■ In March 2008 industrial production prices went up by 2.9 pct from March 2007 after a 3.2 pct y/y growth in February 2008, GUS has reported.

■ The housing completions went up by 33.4 percent in March to 10,773 apartments as compared to the figure recorded in March 2007, the Central Statistical Office (GUS) reported on Thursday. The number of completed flats is however lower by 7.6 percent on the February figure. A total of 35,114 flats were completed over the first three months of 2008, up 30.2 pct as compared to the figure recorded in the January-March 2007 period, GUS said.

■ M3 money supply rose by 3.05 billion zlotys or 0.5 percent m/m in March 2008 to 581 billion zlotys, central bank NBP reported on Monday. Since the beginning of the year M3 money supply has gone up by 3.4 percent or 19.5 billion zlotys.

■ In 2007 banks earned a net of 13.7 bn zloty, up 28.5 pct from 2006, according to GUS initial estimates.

Catering market grows in 2007

The value of catering market in Poland increased to 20 bn zloty in 2007, some 7 bn zloty above the 2006 level, Magdalena Zimna from researcher GfK Polonia has told a Food Business Forum 2008.

„For some time now we have noted a very clear growth of catering market in Poland that stems from changes in Poles' style of living and less time for preparing food at home” she said.

Bars and restaurants account for the largest (60 percent) part of sales. Nearly 50 pct of the respondents to the poll said they visited McDonald's, 35 pct said they eat in pubs. 24 pct respectively eat at a bar or a restaurant.

Fast-food networks are visited by younger people – up to 19 –olds and students. People over 30 usually eat in restaurants and cafes. More than 50 pct of pollees said that apart from having to eat something they go out to meet friends. Nearly 40 pct eat out without any reason.

Poles spend 51 zloty in a restaurant on the average, 26 zloty in a pub and 22 zloty in a bar. Meals served by fast-food restaurants are the cheapest and cost some 15 zloty on the average.

1 USD = 2.14 PLN

1 EUR = 3.42 PLN

INVESTMENTS

The U.S. IT corporation Acxiom will open a branch in Gdansk this July, Gdansk authorities informed Wednesday.

The new offices will employ 100 people, mainly IT experts. In the next years employment in the company may rise to 500.

Acxiom is a world leader in customer data processing.

MOTORISATION

Some 400 jobs will be created in a new factory supplying car seats mainly to General Motors.

The factory will be built for the German automotive supplier Keiper GmbH & Co. KG in Skarbimierz, near Wroclaw, southwestern Poland.

Production is planned to be launched in the fourth quarter of 2008.

The investment is worth over 50 mln zlotys.

INVESTMENTS

Indian Internet technology concern Wipro and Credit Suisse will open a recruitment-research centre in Wroclaw in October (Service Delivery Center).

BORDER

A new order check point will open at Perły-Krylovo (Kaliningrad, Russia). Its construction is to start in 2009.

INVESTMENTS

Hitachi Data Systems opened its own financial centre called Newton Finance Centre servicing financial companies from Europe,

Middle East and Africa here on Wednesday.

FINANCE

The National Bank of Poland has issued new collector's coins to commemorate the 65th anniversary of the Warsaw Ghetto Uprising.

Last Tuesday week NBP launched three coins, the golden one of the nominal value of 200 zloty, the silver one worth 20 zloty and the nordic gold worth 2 zloty.

The coins, designed by Urszula Walerzak, will be available at NBP district branches and selected numismatic shops. The golden coin will cost 1,450 zloty, the silver - 95 zloty. The nordic gold will cost 2 zloty each.

INVESTMENTS

Google Poland will receive 3.16 mn zloty from the state budget for new jobs in Cracow and Wroclaw under a related resolution adopted by the government on Tuesday.