



# American INVESTOR

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The quarterly of the American Chamber of Commerce in Poland

## The US—Poland Business Summit 2018

Developing  
partnerships  
for the future

INSIDE: OVER 100 PICTURES FROM AMCHAM EVENTS



# American Chamber of Commerce in Poland

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# Your American

## On-line resources to AmCham

Check out our revamped website, with enhanced functionality including intuitive grouping of topic threads and multimedia coverage of our events!

**MEMBERS** This link includes access to AmCham community news, the member directory, information on how to become a member, and a list of companies and individuals who have received AmCham awards.

**EVENTS** The link Upcoming Events will take you to announcements of our future events. Past Events will take you to our events archive, which includes photo and multimedia coverage of selected events.

**COMMITTEES** AmCham's 13 committees are the heart of the organization, providing a forum for business leaders with similar interests to network, share best practices, and discuss relevant topics and issues. This enables active participation and input on matters of vital importance to members. The link will take you to a pop-up menu to choose the committee of interest to you.

**MEDIA** This link will take you to five databases: AmCham in the Press is a database of press clippings about AmCham in Poland. It will take you to a pdf version of our print quarterly, *American Investor*, in-

cluding the most recent edition as well as archives of past issues. Video Clips will take you to multimedia coverage of selected AmCham events. AmCham Media Contacts provides contact information for members of the media. Galleries will take you directly to the vast archive of photo coverage of our events.

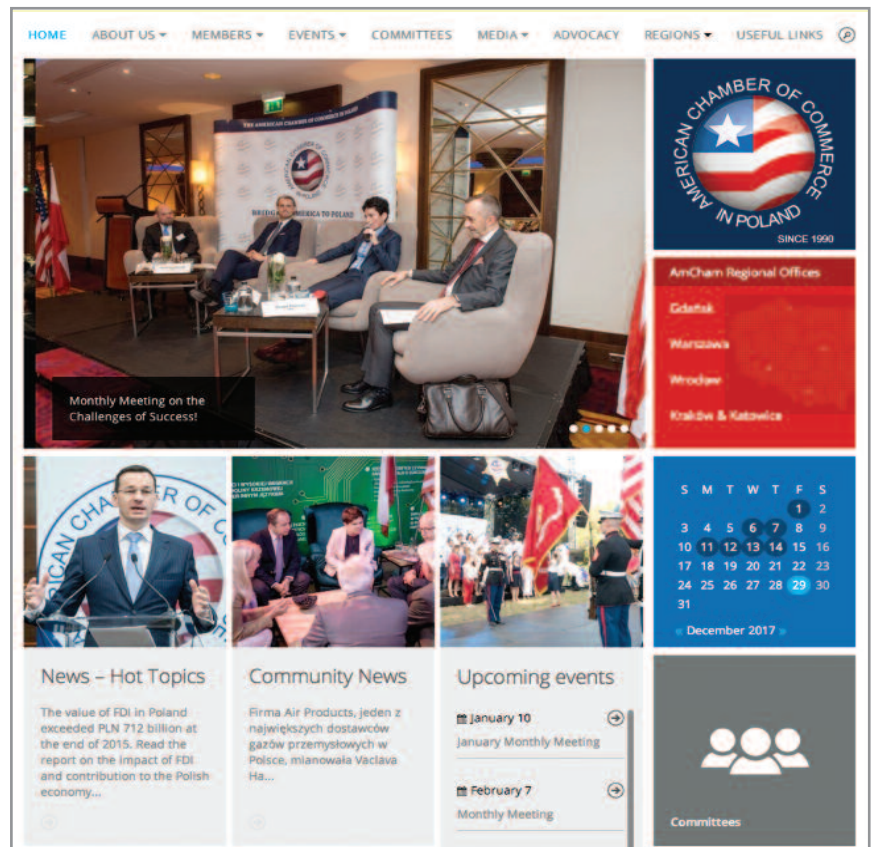
**ADVOCACY** This link will take you to the archive of our position papers, policy statements, official letters to government ministers, and research papers.

**REGIONS** Apart from Warsaw, AmCham has three regional branches, which are active all year long and offer many exciting opportunities to interface with regional business leaders and politicians. Use the Regions menu to find out more about our services in Gdańsk and northern Poland, Kraków & Katowice and southern Poland, and Wrocław and Lower Silesia.

**USEFUL LINKS** This section provides links to other important US business organizations, such as the US Chamber of Commerce and the American Chamber of Commerce to the European Union, and other organizations working for the benefit of transatlantic trade and investment relations.

## What's on amcham.pl

Your online guide to AmCham activities





*Dear AmCham Members and Friends,*

2018 started with an ambitious agenda for the American Chamber of Commerce and I am pleased that the AmCham team and Board of Directors are delivering for our member companies and key stakeholders. In this edition of *American Investor* you can learn about our insightful monthly meetings, committee discussions and the technology based approach to public finance discussed at our Regional Tax Conference.

In April AmCham hosted the 2018 US—Poland Business Summit in Warsaw. This gathering of executives from member companies, leading Polish companies and key officials from the United States and Poland was a flagship event for AmCham this year. The meeting provided an opportunity to benchmark progress since the previous summit in 2012.



*Tony Housh*  
AMCHAM CHAIRMAN

American investment in Poland continues to grow and evolve. Over the last few years, the profile of many investments has moved toward research & development, critical global operations, advanced manufacturing and enabling technologies. Our member companies are working with Polish partners to bring their products and services into our global supply and value chains and encouraging local companies to learn more about investment and trade opportunities in the US and wider North American market.

Q1 saw a milestone event as Poland and the US signed an agreement on the first phase of the *Wisl*a air and missile defense system. Our member companies will work closely with Polish industry and develop partnerships for the future. This is yet another example of how US companies can make significant contributions to Poland while also working to build local capacity and competencies in new areas.

During the US—Poland Business Summit in April and the European Economic Congress in May, we will continue to engage with Polish government, political, educational and regulatory leaders in order to help map out the right path forward for the next twenty-five years of economic success and partnership.

As you read about these issues and more, please take advantage of the wide range of legal, tax and business advice provided by experts from our member firms in this edition of *American Investor*. Our quarterly will be evolving before the next issue is out—with a new look, layout and perhaps even title. What will not change is our commitment to communicate to members and interested parties the priorities of the American Chamber of Commerce in Poland.

Hope to see you at the EEC!

A handwritten signature in black ink, which appears to read "Tony Housh".



# Cover story

US-Poland Business Summit 2018

## DEVELOPING PARTNERSHIPS FOR THE FUTURE

With the Polish president opening the summit with an address to its participants, the prime minister delivering closing remarks, speeches from the US ambassador to Poland, the US assistant Secretary of Commerce, and panel discussions involving top US and Polish companies, and with over 350 participants, including five Polish government ministers, the 2018 US-Poland Business Summit, organized by AmCham Poland and the US-Poland Business Council, was the most spectacular and prestigious gathering of all the three summits held so far. The impressive scale of the event not only reflected the importance of American business in Poland, and how it is appreciated but also demonstrated the great desire the two sides have to expand their economic relations in the years to come.

The year 2018 marks the 100th anniversary of Poland's independence, a political development which had a significant American component. More than hundred years ago the aspirations of the Polish people to get their country back received strong backing from the Woodrow Wilson administration, which not only saw a free Poland as an indispensable part of a new political order in Europe after WWI. It also devised and executed a major humanitarian and economic aid plan for the newly established country in the early 1920s.

But history aside, 2018 is also a significant year for Poland in modern geo-political terms.

With the imminent departure of the UK from the EU, Poland will become the single most pro-American country in the European Union. Indeed, Poland has been the strongest ally of the US in continental Europe across a range of issues, from national defense and security, to energy security, and also to trade and investment.

The presence of so many US companies in Poland, including the largest multinationals originating from the US, "confirms the strength of the strategic alliance between our countries," President Andrzej Duda, said in his opening speech, adding that by developing cooperation with US business further "Poland can secure fast and sustainable economic growth for years to come."

Apart from cooperation in national defense and security, which was praised by President Duda and Prime Minister Mateusz Morawiecki in their speeches at the summit, both politicians underlined the importance of Poland's partnership with the US in energy security. With the first delivery of LNG from the US to the Polish LNG terminal in Świnoujście last year, both countries opened a new chapter in energy security that will also

help other EU states. Poland is willing to build the necessary pipelines from Świnoujście to connect it to the European gas network. The prime minister said that the EU imports 170 billion cubic meters of gas each year, "and this is exactly the annual capacity of our LNG port in Świnoujście, and this is exactly the amount which the US has the capacity of exporting."

He added that "With the help of the US and the shale gas revolution we would like to have a win-win situation for the EU and Poland and for the US," which could result in a weakening of the monopolist position Russia's Gazprom now has over gas supplies.

### Discovering America

While 2018 is a year that has already seen an increased US engagement in Poland it is also a year that has seen the establishment of the Polish Chamber of Commerce in the US, which will help Polish companies enter the American market. The establishment of PolCham is a result of the growing aspirations of many Polish companies which have grown big enough to eye new markets for expansion beyond the EU.

"Some Polish companies are mature and rich enough to think of servicing the US market," said Tomasz Pisula, President of the Polish Investment and Trade Agency, which has recently expanded its office network in the US. "Those companies think of servicing the Canadian market too and the Mexican market from the US. They look at operation centers in the US and production facilities," Pisula said.

One such company is Famur, the leading Polish producer of heavy machinery and industrial equipment for the mining, coal-mining and deep mining sectors, which is taking its first steps in the US. "The US is the third largest world producer of coal and thus

it is a strategic market for us," said Mirosław Bendzera, Famur's CEO, adding that Famur is there to learn about the synergies the coal-mining sector has with the rest of the US economy, and how the industry is applying hi-tech solutions and the Industry 4.0 standards.

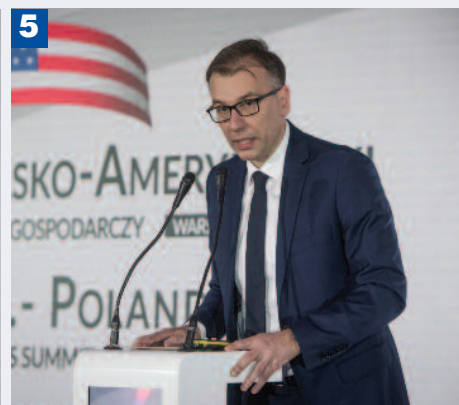
"We are also happy that Polish investors grow their presence in the US," said President Duda, adding that he hoped soon the mix of Polish firms in the US will encompass a range of relatively new industries as well. "Along with such companies as COM40, Selenia, and Ingnot, that have put down strong roots in the US, other Polish companies in the IT, biotech, medical, and space technology, look for business opportunities in the US market. I hope that they will find the right partners in the US and contribute to the economic development on both sides of the Atlantic," President Duda said.

While Polish companies investing in the US have the full support of the Polish government, they are also welcomed by the US government.

Elizabeth Erin Walsh, Assistant Secretary of Commerce and Director General of the United States Commercial Service, who took part in a discussion panel at the summit, said that the Department of Commerce is committed to reinforcing President Trump's economic agenda to support both the American economy and the promotion of free, fair and reciprocal trade. "Poland strives for the same goal of free trade and bilateral commercial relationship. It is our shared agenda," she said.

She explained that the Department of Commerce would like to increase FDI from Poland and match it with "what's important for the US". She encouraged Polish investors to make the most of Select USA, a government agency helping foreign investors in





1. President Andrzej Duda. 2. Prime Minister Mateusz Morawiecki. 3. Elizabeth Erin Walsh, US Assistant Secretary of Commerce. 4. US Ambassador Paul W. Jones. 5. Miroslaw Bendzera, CEO Famur SA. 6. Kasia Kieli, President, Managing Director EMEA, Discovery. 7. Mark Loughran, General Manager, Microsoft. 8. Lana Popovic, Vice President CEE, Coca-Cola. 9. Tomasz Kosik, General Manager for Poland, the Baltics, and Ukraine, Emerson Automation. 10. Krzysztof Krawczyk, Partner, CVC Capital Partners. 11. Przemysław Kurczewski, Member of the Supervisory Board, Emitel.



# Cover story

## US-Poland Business Summit 2018

America, and advertised the next Select USA Investment Summit, which will take place in Washington D.C. between June 20 and 22. The participants “will have the opportunity to find out how to invest in the US by learning from officials from 48 States and match-making with potential partners.”

Furthermore, she said that now is a good time to invest in the US because the administration has undertaken “the largest tax reform in 30 years, which is very pro-business”, and “is lowering the regulatory barriers for business.” She added that the US is also a good place in which to look for capital because American investors are much more flexible than investors in Europe and are more inclined to take risks.

Piotr Baczyński, CEO of Immersion VR, a virtual reality company that has just won a major contract in the US, confirmed this view by saying that the American business mentality is about “making it” and “going big”. “Don’t be afraid, go to the US and talk about your technology to anyone who is willing to listen,” he encouraged Polish companies. “Americans are great listeners. And it might happen that this huge multibillion company needs exactly what you are offering.”

But many Polish companies will not need any encouragement as for them expansion into the US is a natural step. They will go to the US to use the American technological know-how and to sell quality products. “The Polish economy is growing and that means disposable income will grow,” said Tadeusz Kościński, Deputy Minister of Entrepreneurship and Technology. “Polish consumers will move away from looking at the price aspect, which benefits more Asian types of producers, and will start looking at the quality of products, which will move their attention towards the American markets.”

### The attractiveness of Poland

While the benefits the US economy offers Polish investors are becoming more and more apparent—access to huge markets in the global value chain—the attractiveness of Poland to US investors is being redefined in new terms. The relatively large national consumer market and the relatively inexpensive workforce are no longer the focal points. According to Tomasz Pisula, US companies in Poland have evolved to such a level that now they not only look at the domestic market but use Poland as a gateway to the other markets in the EU.

This view was confirmed by Jacek Drabik, Managing Director at Motorola Solutions and the head of AmCham operations in Kraków & Katowice. He said that at the beginning Motorola in Poland focused on engineering and sold its products mainly to the US. In time however, the Polish operations, located in Warsaw and Kraków, acquired new

business functions, such as sales, client support, and others necessary for the Motorola global business operations. Today Motorola in Poland is evolving into a sales hub which covers all EU markets, where it sells products developed in Poland.

A similar transformation took place with Google, which is present in Poland in Warsaw and Wrocław. “For us, Poland is becoming a hub for the entire region of Central and Eastern Europe”, said Marcin Olender, Public Policy and Government Relations Manager at Google Poland. He added that the Polish operations of Google expand their engineering part constantly and produce business-critical software which is powering the Google data center infrastructure, and supporting global services such as Gmail and Youtube as well as Google’s corporate clients.

A similar transformation is envisaged by Kasia Kieli, President and Managing Director at Discovery, who, when talking about the growth of Discovery in Poland said that it may turn its Polish operation into a “hub for original content and digital content creation for global use.”

Immersion VR’s Baczyński went even further in accessing the potential of Poland for US investors by saying that they should “look closely” at the country, because “here might be the next land of the unicorns”.

### The shrinking labor pool

With the subject of the quality of work provided by Polish software engineers came the issue of the competitive edge of the Polish workforce. Polish workers are no longer inexpensive and with unemployment at a record low the best workers are hard to find.

But it is worth trying to find them, all summit speakers agreed. “Poland has an absolutely superb workforce,” said Krzysztof Krawczyk, Partner and Director for Poland at CVC Capital Partners, a venture fund. “They are driven, hardworking, and set to succeed.”

“Hardly a moment goes by without someone talking about data, artificial intelligence, security, internet of things... It is a digital revolution and it is taking place in Poland as well,” said Mark Loughran, General Manager of Microsoft in Poland. “There is this entrepreneurial spirit that runs through the blood in this country,” he said, adding that the Polish education system is “superb in giving the grounding for the digital economy.”

He admitted, however, that the issue of hiring skilled labor is becoming more and more critical. “There are two competitive drivers and that’s investing in training and opportunities for the employees because workforce in Poland and Europe in general is mobile.”

Tomasz Pisula went even further by saying that Poland is the “last reservoir” of talented

and skilled employees in the EU who are driven, committed, and do not have unrealistic expectations regarding their salaries and social packages that their employers can offer.

### Open for dialogue

The changing business dynamics of American companies in Poland which are pushing their operations up the global value chain, and the diverse business landscape in which human factors and technology create new challenges and opportunities for business means that the government has to work hard to make Poland an attractive destination for investors.

This is a challenge, admitted Deputy Minister Kościński. “The Polish administration has to learn how to listen to the markets and understand the way forward and what is there for us,” he said.

For the government the presence of US investors in the country is not only about the new jobs they create but also about where the economy is going to be in the years to come. The government has to be sure that it moves the economy from what it now calls the “imitation economy” to the innovative economy, “so Polish companies do not do what somebody else is doing but innovate and come up with their own original solutions and business models,” Kościński said.

And American companies are among the best partners to achieve that goal with, he added.

But to let foreign investors use their potential to the full the government must ensure that a stable business environment is in place.

According to Discovery’s Kieli, one of the advantages of being in Poland is that the government and policy-makers have been open to a dialogue with business. And the message cranked out in those conversations was that investors need “the predictability of the legal framework governing business”.

CVC Capital Partners’ Krawczyk said that Poland has been changing its laws fast and what is of critical importance now is that while regulating to ensure a level playing-field for all companies in the market is a good thing, the law-makers should not do “anything beyond that” because if they do it will have a negative impact on investment decisions.

### Recognizing needs

For Jacek Graliński, Co-Chair of the AmCham Pharmaceutical Committee, and Head of Government and Corporate Affairs at Amgen, a pharmaceutical company with advanced clinical research programs in Poland, the government has to recognize the specifics of the pharmaceutical business and apply special incentives for companies engaged in the development of new drugs. The





**12.** The summit in progress. **13.** President Andrzej Duda; Tony Housh, AmCham Chairman (Northrop Grumman). **14.** Tony Housh; Prime Minister Mateusz Morawiecki; Eric Stewart, President, US-Poland Business Council. **15.** Tony Housh; Tadeusz Kościński, Undersecretary of State, Ministry of Entrepreneurship and Technology; Eric Stewart. **16.** Stacy Ligas, KPMG. **17.** Jacek Graliński, Co-Chair of the AmCham Pharma Committee (Amgen). **18.** Jacek Drabik, AmCham Kraków & Katowice Director (Motorola Solutions). **19.** Marcin Pertykowski, AmCham Board Members (Standard & Poor's). **20.** Marek Szydłowski AmCham Board Member (TVN SA); Magdalena Pavlak-Chiaradia, AmCham Board Member (ERM). **21.** Jadwiga Emilewicz, Minister of Entrepreneurship & Technology; Eric Stewart; Tony Housh.



# Cover story

## US-Poland Business Summit 2018

reason why it is necessary is that the process of drug development takes up to 10 years and millions of dollars. Because of the lengthy development process, the investor does not know if the drug, when eventually introduced to the market, will be the only one available for patients. This, in turn, poses a big question mark when it comes to ensuring the commercial success of the new drug. "We need government backing so there are more investments in the pharmaceutical industry," Graliński said.

This view was echoed by Jacek Drabik from Motorola Solutions who said that business is always driven by the return on investment and scales its investment to the return it anticipates and the risks involved. The government's role in this is to limit the risk factor the best it can. "The government has to understand that investors face risks and that those investors who invest in high technologies and innovations are not necessarily doing that for low cost," Drabik said.

Apart from investors' incentives and ensuring a stable and transparent legal framework which guarantees a level playing field for all investors, the government has to look into the quality of education to ensure that university graduates have the right skills and knowledge, and that means making sure the education system understands the what the modern economy requires in this respect. "I'm not afraid that there will be no workers

available in Poland," Drabik said, "but I'm concerned with the quality of education." He explained that the higher education system has to adapt to the changing reality and the change is that more and more advanced technologies are applied in the digital economy. To use them successfully so they increase the productivity of the Polish economy, one way of doing that is "through increasing the skills of the people".

Google's Marcin Olender offered a yet another proposition of what the government needs to do to make Poland a more attractive place for foreign investors searching for business-ready local partners. He noted that Polish small and medium-sized enterprises are very conservative, hardly exports, and few companies eye potential areas for expanding their business abroad.

Olender said to change this the government should create an educational campaign aimed at the sector of small and medium-sized companies, teaching them how to export their goods and increase their business because, apparently, many of them fail to recognize the potential of the digital economy when it comes to business growth.

### Closing remarks

While all those issues are still for the government to tackle it seems this government and its predecessors have done a good job when it comes to ensuring stable economic

fundamentals, something which is equally critical for investors deciding where to allocate their next big investment project.

In his remarks delivered at the closing of the summit, Prime Minister Morawiecki said that Poland is a strong member of the EU and unlike EU countries which have adopted the euro, Poland is not burdened with dealing with the root cause of the 2008 financial crisis. While the Central European Bank pumps money into some EU economies to stabilize them, Poland, which does not depend on EU monetary policy, has an even "more real" economic growth.

In addition, the country has a well-capitalized banking sector but nevertheless is working to develop diverse capital markets, such as venture capital and pension funds, so the economy, in financing its development, would not be over-dependent on the banks.

With such a balanced approach, the prime minister said he hoped that "Poland will be one of the best countries for investment in the years to come," and he urged foreign investors to engage in a dialogue with the his administration. "My economic people in the government are open to discuss with investors," he said.

• Tom Cwiok

## Quantitative and qualitative dimension of the impact of US companies on the Polish economy—the most recent findings!

**A**mCham Poland partnered KPMG to bring the latest update on the impact of US companies in Poland. The report presents a snapshot of American business operations in Poland, and how they have contributed to the growth of the Polish economy.

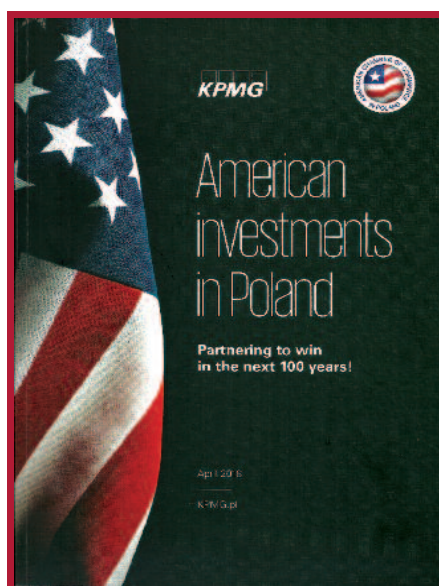
Since 1990, the operations of American investors in Poland have been one of the pillars of the Polish economy increasing the amount of their accumulated investment nearly every year. Estimates put the total accumulated investment of American companies in Poland at PLN 130 billion in Q1 2018, which ranks US investors among the largest foreign investors, next to investors from Germany and France.

Most US companies select Warsaw and central Poland for their locations but in recent years more and more of them pick non-central locations across the entire country.

Companies with American capital are also among major employers in Poland. By 2015 they had a workforce of 212,000 people and AmCham estimates that currently it is 220,000 a 20% growth from 2012.

In 2015 salaries in American enterprises in Poland were at the level of PLN 7,800 a month on average, which was nearly double the national average.

US companies have strongly integrated with the local economy. Over 1/5 of US companies



which are AmCham members said in a survey that they work with as many as 500 local businesses and partners.

American companies engage in a variety of business sectors but the sector of business

services has become predominant in recent years. By 2016, US investors created over 73,000 new jobs in shared services centers.

But nearly 80 AmCham member companies in Poland operate a total of 150 manufacturing facilities across the country.

Over 35 percent of AmCham member companies indicated that they employ more than 100 employees in the R&D facilities. R&D investment is among the key factors behind successful innovative projects.

The operations of US companies in Poland do not only contribute to the creation of new jobs. A large majority of US companies engage in CSR activities and charity work. Most of them support and cooperate with local foundations while many of the largest investors work through their own-established foundations.

They also collaborate closely with local schools and universities by operating internship opportunities to talented students, but also working through a variety of educational programs that aim to prepare young people for work.

In as many as 40 percent of AmCham companies women comprise approximately 50 percent of their total workforce. About half of the respondents indicated that over 40 percent of their management teams are women.



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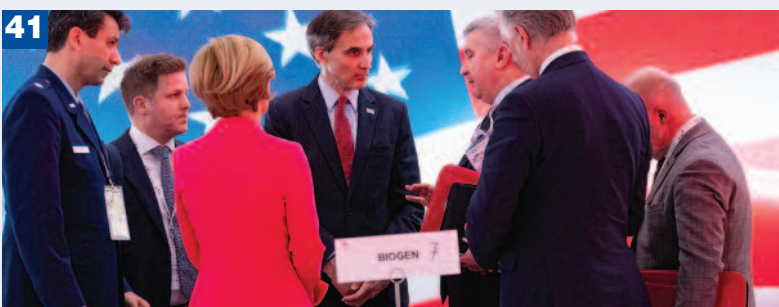


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22. Discussion panel “Shaping the Future of US-Poland relations”. 23. Tomasz Korkosz, PAIH; Marzena Drela, AmCham Deputy Director; Karol Poznański, MSD. 24. Eric Stewart, President Andrzej Duda; Tony Housh. 25. Steven Kelly, Martha LaCrosse, BAE Systems. 26. Assistant Secretary of Commerce Elizabeth Erin Walsh. 27. Tony Housh; Chris Beale, Przemysław Kurczewski, Emitel. 28. Jacek Drabik; Ambassador Paul W. Jones; Anna Charuba, AmCham Kraków & Katowice. 29. Eirc Stewart; Dorota Dąbrowska-Winterscheid, AmCham Managing Director. 30. Tony Housh; Jim Samples, TVN/Discovery. 31. Phillip Schneider, Boeing; Markus Baltzer, Bayer; Stanley Prusinski, Boeing.





**32.** Paweł Pudłowski, MP, Nowoczesna; Roman Rewald, AmCham Board Member; Dorota Dąbrowska-Winterscheid; Andrzej Pawelczak, Animex. **33.** Agnieszka Hryniewicz-Bieniek, Google; Rafał Milczarski, LOT; Andrzej Pawelczak; Mirosław Dackiewicz, Agri Plus. **34.** Dorota Dąbrowska-Winterscheid; Marcin Nowicki, ZPP. **35.** Marcin Pertykowski; Piotr Marczuk, Microsoft; Mariusz Mielczarek, Amazon; Tony Housh. **36.** Dorota Dąbrowska-Winterscheid, AmCham Managing Director; Gretchen Franke, US Embassy. **37.** Marzena Drela; Jarosław Grzesiak, Greenberg Traurig. **38.** Tony Housh at the press conference. **39.** Paweł Chorąży, Secretary of State at the Ministry of Investment and Development; Ambassador Paul W. Jones; Marzena Drela. **40.** Piotr Baczyński, Immersion VR; Paul Jastrzębski, Oculus; Ambassador Paul W. Jones. **41.** Ambassador Paul W. Jones with summit participants. **42.** Discussion panel: "What Next in Polish-American Economic Relations?" with moderator Andrzej Różyński, *Rzeczpospolita*, Marcin Olender, Public Policy and Government Relations Manager CEE, Google; Jacek Graliński, American Chamber of Commerce in Poland, Chair of Pharma Committee, Jacek Drabik, Motorola Solutions, General Manager; Marcin Pertykowski, Managing Director Standard & Poor's. **43.** Minister Marek Suski, the Prime Minister Chancellery; Marzena Drela.





# U.S. - Poland Business Summit 2018

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# Agenda

## Intelligence from AmCham Committees

### Business & Technology Services

In March, the AmCham Business Technology and Services Committee met **Aleksandra Przeglasińska**, a researcher in artificial intelligence (AI) at Center for Collective Intelligence at MIT Sloan School of Business, and a lecturer at Koźminski University in Warsaw. She talked how AI scientists focus on creating algorithms that “understand” human emotions.

She said that the branch of computing that deals with “reading” human emotions is called “affective computing”. This new branch is gaining increasing importance in the development of AI. Computers which can identify human emotions and respond to them will be critical in successful development of “machines with a human interface” which seems to be the optimal “operating platform” for many applications of AI, such as medical and healthcare equipment. For instance, a computer which can sense that an epileptic attack is coming effectively help the patient before the actual attack takes place.

Przeglasińska described her work as a member of an AI team and presented some electronic devices, such as clothes with sensors, jewelry, wristbands and other “wearable items with sensors”. This is a very critical aspect of affective computing research because to gather data scientists have to leave their labs and work in “human natural habitat”.

In her presentation Przeglasińska covered a range of issues connected with AI, including the obstacles to spreading AI that stem from different legislations as well as people’s concerns.

In April, the AmCham Business and Technology Committee met **Andreas Lundmark**, Head of BCG Gamma in the Nordic Region, the analytical arm of the Boston Consulting Group, which combines competences in computer science, artificial intelligence, statistics and machine learning. Lundmark talked about Big Data analytics and how the process can be applied to pricing optimization, personalized marketing, but also in construction and logistics.

### Business Technology & Services/EU Affairs/Tax & Financial Services

In March, three experts from law firm Squire Patton Boggs, **Wolfgang Maschek**, Partner and Head of the European Public Policy Practice, **Christina Economides**, Public Policy Advisor, and **Jacek Wiśniewski**, Of Counsel, met with three AmCham Committees (see above) to discuss the recent action plan from the European Commission to increase innovativeness in the financial services sector across the EU to broaden consumer access to more inclusive, efficient and competitive services.

### Employee Relations

**Peter Strupp**, President of United Business Development, a HR consultancy, met the AmCham Employee Relations Committee in March to discuss the key drivers for high performance sales teams. In his presentation he showcased leadership practices that help teams sell more, including the specific skills and behavior practices which increase sales results. He also talked about the practical steps that organizations should take to reinforce sales leadership and

team effectiveness, and presented a set of diagnostic tools with which companies may help their sales teams achieve better results.

### Energy & Environment

**Małgorzata Typko**, Deputy Director of the Department of Environmental Management at the Ministry of Environment, met the AmCham Energy and Environment Committee to discuss the new regulations which limit the levels of pollutant emissions from industrial installations, including power plants, that have been recently introduced by the EU. They are known as BREFs (Best Available Techniques Reference Documents) and BATs (Best Available Techniques). Typko talked about the potential impact of the new regulations on the power sector in Poland and discussed the solutions and best practices that power companies need to apply to be compliant.

### Energy/EU Affairs

In February, **Monika Morawiecka**, Head of Strategy at Polish Energy Group, met the AmCham EU Affairs and Energy Committees to discuss the Clean Energy Package from the European Commission, and whether this new regulatory overhaul has the potential to prevent individual member states from going back to their own national energy policies instead of committing to the creation of a unified a common energy system across the European Union.

### EU Affairs

**Jacek Bartosiak**, Senior Fellow at the Potomac Foundation and Co-Founder of the National Centre for Strategic Studies (NCSS), met the AmCham EU Affairs Committee to talk about the main elements of US strategies and policies towards Europe in the context of the challenges posed by Brexit, China’s global economic growth, and threats from Russia.

Bartosiak said that in the 20<sup>th</sup> Century, the US focused the attention of its foreign policy on Euro-Asia. At that time Euro-Asia was perceived as primarily Europe, with a little bit of attention paid to Japan and China.

As a result the US developed such frameworks as NATO and the European Union, which became the staples of American policy for decades. The strength of this policy was derived from two overriding principles. First, that the US was a sea power protected by the Atlantic and the Pacific and a superior navy. Second, that the US would not allow any country in Europe and Asia to gain the position of a regional superpower.

It was a good strategy. During WW1 and WW2 the US helped other nations defeat Germany and thus prevent it from gaining the status of a superpower in Europe. The US was also successful in deflecting the USSR from taking over Western Europe.

At the same time, because it controlled naval trade routes, the US maintained a very stable environment for the growth of the global economy. Many countries, such as China, Australia, Taiwan, South Korea and others in the Asia-Pacific region took advantage of the stable situation and developed their international trade links.

In 1989, Poland, and later other countries of

the Soviet Bloc, took advantage of the fact that the US was the guardian of the world order it had created, and broke away from the alliance with the USSR.

Russia did not give up its political ambitions. As a result a belt of countries between the Baltic and the Black Sea has become a buffer zone between Russia and the US, which both countries try to influence.

Other regions and hotspots became “choke points” of global trade, including the Persian Gulf, the port of Aden, the Suez Canal and the Indian Ocean that links two major trade areas of China Sea and the Western Pacific.

With the growing engagement of the US far away from Europe, the European Union enlarged and consolidated around Germany, a country which became the dominant power in the region thanks to its robust economy and the goods it sells around the world.

Bartosiak said that from the point of view of Poland, the growth of Germany is “a reversal of the post-WW2 situation” when the country was under American and Russian control.

Such a geopolitical situations when new local and regional powers emerge creates new “lines of contest between political ideologies and influences,” Bartosiak said, adding that it all signals that the world order that emerged in the 20<sup>th</sup> Century is about to end.

### Manufacturing

In March, the AmCham Manufacturing Committee organized a tour at the Rockwell Automation factory in Katowice. The tour guide was **Przemysław Brzeziewski**, Rockwell Plant Manager, who presented examples of intelligent manufacturing developed by the factory which adhere to the Industry 4.0 standards.

Brzeziewski said that although today’s world is full of computers, electronic gadgets and an overflow of data, the potential of this has not yet been developed. But having so much data, high-speed processing, the cloud capacity, and more autonomous machines, it is about time to put this all together to get real value-added output. For example, usually the shift manager arranges workers along the production line based on who actually showed up that day and other factors to take into account. But this takes time and can become complicated. Now at Rockwell, the computer sets working stations every morning based on who is at work, who has which qualifications and valid training, and how much workers “like” particular work stations. Yes, Rockwell has implemented a feedback mechanism where workers can “like” their work stations. Another example is eliminating the need for 47 applications and spreadsheets that need manual entry on one production line and replacing it with a computer that thinks on its own. This is real value-added for the production process and lets computers manage increasingly complex processes while letting workers do what they do best.

In contrast, the German market is also strong on manufacturing, but challenged by high labor costs. Thus, German industry has been focused on automation for decades already. In Poland this incentive is only becoming apparent now owing to low unemployment. In the case of



Rockwell Automation, they opened their production facility in Katowice in 2006 and employ over 500 people. Their second plant will begin production this year. With the same size facility, however, they plan to hire half the number of workers, with more invested in automation.

Rockwell also has a global shared service center with over 1,000 employees. The center has been recognized by *Trade Media* as *Fabryka Roku 2017* (Manufacturing Facility of 2017) in the category Industry 4.0.

There are over 150 factories represented by 80 AmCham member companies engaged in manufacturing in Poland. According to the latest AmCham EU report on The Transatlantic Economy, Poland has been the biggest winner in terms of US manufacturing employment. The combination of highly-skilled workers who came at a low cost made Poland a successful manufacturing hub for many companies. This has also been the reason that automation has not been important until now. Instead, Polish plants could handle custom production, small production lines, and other situations that require the kind of flexibility that only humans can provide.

#### Marketing & Communications

**Nathaniel Espino**, Partner at Aldgate Strategy Group, and **Paweł Gala**, CEE Managing Partner

at Wavemaker Global, met the AmCham Marketing and Communications Committee in February to talk about the latest trends in Polish media consumption and how to get the most out of your advertising zloty. In their presentation the guests underlined the recent government's efforts to reshape the media landscape through regulation, and how they may effect companies in their efforts to deliver their message through the Polish press.

#### Tax & Financial Services

Changes to PIT taxation of employee equity plans were on the agenda of a meeting held by the AmCham Tax and Financial Services Committee in January, with experts from PwC: **Joanna Narkiewicz-Tartowska**, Tax Director, and **Sylvia Bachmat**, Tax Manager. The speakers covered taxation of income derived from employee equity plans offered by American companies under the new provisions of the Polish PIT Act. They also talked about the preferential tax regime (tax deferral) now available for employees of American companies, and the potential implications of exceeding tax deferral to the shares of the American companies.

In February, the Tax and Financial Services Committee held its annual session for US taxpayers with speakers **Dagmar Gessner-Gaspar**



and **David Villwock** from KPMG's US Tax Center, Frankfurt am Main, and **Andrzej Marczak** and **Mateusz Kobyliński** from KPMG Global Mobility Services in Poland. The speakers gave an overview of the US taxation system, and highlighted the regulations governing Passive Foreign Investment Companies, changes to ITIN Issuance and Deactivation Procedures, and talked about the directions that the US tax reform may take under President Trump. In picture: David Vilvock, Dagmar Gessner-Gaspar, **Dorota Dąbrowska-Winterscheid**, AmCham Managing Director; Mateusz Kobyliński, Andrzej Marczak.

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# Newsline

## News from AmCham and its members

### AirProducts

Chemicals company Air Products has purchased ACP Europe SA, the largest independent carbon dioxide (CO<sub>2</sub>) business in the continental Europe. The transaction complements Air Products' European CO<sub>2</sub> capabilities in core geographies where the company already provides industrial gases.

Air Products supplies a broad portfolio of industrial gases across 13 European countries including liquid CO<sub>2</sub> from its operations in Spain and Poland.

### C&W

Commercial real estate advisory Cushman & Wakefield has expanded its Project & Development Services team, with the inclusion of a new Design & Build platform. In Central and Eastern Europe the new service is headed by Glyn Evans, based in Prague, Czechia.

### CMS

Law firm CMS has advised the Polish Development Fund (PFR) on an investment in a 910 megawatt power unit under construction at the Jaworzno Power Plant, owned by Tauron Group. The cost of the new power unit is PLN 6.2 billion and it is one of the largest investments currently underway in the Polish power industry. The new coal-fired unit will generate enough energy to cover the needs of 2.5 million households.

Under the agreement, PFR, for PLN880 million, will acquire shares in Nowe Jaworzno Grupa Tauron, a special purpose vehicle owned by Tauron Polska Energia, which is building the new unit.

In other news, CMC and commercial real estate firm Colliers International published their second annual report, "CEE Office Real Estate Compass: Is your workplace Millennial-ready?" which looks at the changing nature of the workplace in companies in Central and Eastern Europe. The report, which surveyed senior professionals in CEE, reveals that over three-quarters of respondents regarded work-life balance as the most important factor when choosing an organization to work for. Salary, leadership development opportunities and the location of the office were also considered key to workplace satisfaction. Only 37 percent of respondents pointed to office design and facilities as "very important", while only 18 percent indicated office sustainability and "green credentials" as significant characteristics of a modern office.

### Cresa

Commercial real estate firm, Cresa, which specializes in representing tenants exclusively, has launched polandwarehouses.com, a website providing detailed information on the location of warehouse facilities by regions, including special economic zones. The site offers information on the technical specification, available modules and property status of each de-

veloper-led A-class building across the whole country. In addition, the website enables occupiers to search for properties according to various technical criteria. It also offers access to information on Poland's largest warehouse regions, current reports and market research as well as useful help and advice for tenants.

In other news, Cresa has opened office in Łódź, to be headed by **Marta Pyziak**. In addition to the Łódź office, the company has offices in Warsaw, Wrocław and Tricity.

### Dentons

Dentons' Warsaw partners **Agnieszka Stefanowicz-Barańska** and **Paweł Dębowski** have been recognized as lawyers "at the pinnacle of the profession" and been enrolled in the Hall of Fame of the international ranking of law firms, The Legal 500.

Agnieszka Stefanowicz-Barańska has been a partner in Dentons' Warsaw office since 2001. She heads the Warsaw's competition practice team. For years, she has been recommended as a leading competition law specialist in Poland by international and Polish rankings such as Chambers Europe, The Legal 500 EMEA, GCR 100 and in the Ranking of top regulatory law firms in Poland by Polityka Insight. She is also the chairperson of the Polish Competition Law Association.

Paweł Dębowski has been a partner in Dentons' Warsaw office since 2010. He heads the European Real Estate Group. He is one of the most widely recognized and respected real estate M&A and investment professionals in Poland and Central and Eastern Europe and an indisputable real estate market leader, which has resulted, over the years, in multiple recognitions by Polish and international directories such as Chambers Europe, The Legal 500 EMEA, CEE Quality Awards and *Rzeczpospolita*.

### Edenred Polska

Prepaid services company Edenred has launched Android Pay in Poland which offers quick and safe method of payment to mobile phone users with the Android operating system. Android Pay lets the users of Edenred prepaid cards in Poland make payments with their Android phones at 500,000 outlets that accept Mastercard and are equipped with contactless payment terminals. Users who wish to use the new service have to register their cards at myedenred.pl, download the Android-Pay app onto their mobile phones, and add the card to the application. Each successful transaction is followed by a notification on their phone containing transaction details.

### GE

GE Power, in consortium with Alstom Power Systems, has been selected to build a 1 gigawatt coal fuelled power plant in Ostrołęka, northeast Poland. The GE-led consortium will

### Correction

In the last edition of *American Investor* (AI Winter 2018) our photo coverage of the AmCham Thanksgiving Mixer 2017 (page 52) contained an error: **Stawomir Sikora**, AmCham Board Member, and Chairman Citi Handlowy, was misidentified as Robert.



build the Ostrołęka C ultra-supercritical (USC) coal-fired power plant for the Polish state-run utilities Energa and Enea.

In addition to co-leading the consortium, GE Power is responsible for the designing, manufacturing and delivering USC technology components including the boiler and steam turbine generator, for the new power plant. When delivered to the market in approximately 56 months, the new power plant will generate electricity required to power 300,000 homes.

## JLL

Real estate advisory company JLL once again has been selected as a Strategic Partner of Association of Business Service Leaders (ABSL), the leading industry organization representing investors from the sector of business services.

The cooperation will include consultancy in office market trends in Poland, workplace analysis as well as office space design and fit-out. The design and fit-out service will be delivered in cooperation with the JLL-affiliated company Tétris.

Within the remit of the cooperation, JLL will also promote ABSL's relations with external partners, attend ABSL board meetings, conferences and meetings with industry representatives throughout Poland in the role of advisor and present the latest research and provide market analyses for ABSL reports.

## PwC

**Adam Demusiak**, Partner and Leader of PwC's Mergers and Acquisitions Team, topped the recently published M&A Profiler League by Mergermarket, an international portal covering

mergers and acquisitions. According to the portal, Demusiak participated as the main advisor in the largest number of transactions in the region of Central and Eastern Europe.

Published every year, the Mergermarket ranking is based on the analysis of information on mergers and acquisitions from around the world.

## Sanofi Polska

Medical company Sanofi Polska has been certified "Top Employer" by the Top Employers Institute, an NGO which certifies the working conditions at companies. This year, the company has been also certified "Top Employer" in Germany, Hungary, France, Italy, Spain and the UK, thus acquiring "Top Employers Europe 2018" certification.

## Wierzbowski Eversheds Sutherland

Three lawyers have joined the newly created spinoff practice, Tech and Engineering Team, affiliated to Wierzbowski Eversheds Sutherland, which provides advice on public procurement law, complex development ventures and projects connected with the application of new technologies in industry and the digital transformation.

**Witold Sławiński**, who has 11 years of experience as a commercial lawyer, specializes in legal support for development processes and construction contracts for firms from the construction sector, particularly the building automation segment. He also represents clients in disputes and advises on business negotiations and commercial contracts, in partic-

## New members

Companies recently joining AmCham:

AC by Marriott Wrocław  
Contact: **Maciej Knyrek**, GM.

Pharmaceutical company **Bayer**.  
Contact: **Markus Baltzer**, President.

Real estate developer **Echo Investment**.  
Contact: **Maciej Drozd**, CFO.

Market intelligence company **Geopolitical Intelligence Services**  
Contact: **Joanna Bensch**, Advisor to the Board.

Private equity **Griffin Real Estate**  
Contact: **Maciej Dyjas**, CEO.

PR agency, Hill & Knowlton  
Contact: **Grzegorz Szczepański**, CEO.

Medical technology company **Philips Polska**.  
Contact: **Reinier Schlatmann**, CEO Central & Eastern Europe.

Aircraft engine service company **Xeos**.  
Contact: **Stefan Schmuck**, Managing Director of Operations.

ular contracts for construction work.

**Jan Styliński** has nearly 20 years of experience as commercial lawyer. He specializes in the law of public-private partnerships and concessions.

**Adriana Gostępska** specializes in corporate advice for businesses, construction law, and public procurement law.

## Members on the move

### Dentons

**Piotr Stanisławski** has become a partner in Dentons' Warsaw office and a member of the Real Estate practice team. Stanisławski specializes in real estate, corporate and commercial law. He has advised domestic and international investors on the development and re-development of properties in the retail, office, logistics and residential sectors. He is also involved in real estate transactions and lease projects, including office and industrial investments and shopping mall developments.



### Squire Patton Boggs

**Eligiusz Krześniak**, office managing partner of the Warsaw office of Squire Patton Boggs, has been nominated to serve as an arbitrator of the Court of Arbitration for Sport (CAS) in Lausanne, Switzerland. Krześniak is the sixth lawyer from Poland to serve as a CAS member since the creation of the court 30 years ago. CAS is an international arbitration court that rules as the Supreme Court in any disputes in the field of sport. Its rulings have a significant impact on the shaping of sports law.







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# Focus

Executive Chef

## In the right place

If you dine in one of the restaurants at the Sheraton Warsaw Hotel you will devour food prepared by one of the most traveled chefs in Poland

**M**arcin Sasin, executive chef at the Sheraton Warsaw, was one of those young people who always knew what he wanted to do in life. The kitchen in his home was a warm place, filled with intriguing fragrances created by the activities of his mother and grandmother whom he loved to watch as they prepared different foods and dishes. Add to it his uncle, who was the executive chef of a big restaurant in Warsaw, and who, during his occasional visits, would always bring with him a chunk of worldliness and professional cool. This is why when the time came for Marcin Sasin to decide what to do in life, he picked a vocational school for cooks.

The school led him to the vast restaurant at the Marriott Warsaw, the first American hotel in Central and Eastern Europe, where he did his apprenticeship in 1994-95. "The



Marriott kitchen was like moving to the US," Sasin remembers. "Our job was clearly defined and everything had to be made to a high standard, and the dishes delivered to the dining room were the sum total of all the specific instructions so to impress the guests."

But it all impressed Sasin to such an extent that he made himself a promise that one day he would become the executive chef of a five-star restaurant.

### Pursuing a dream

In his career Sasin worked under the supervision of the best chefs in Warsaw, including such luminaries of culinary arts as Kurt Scheller. Having joined the staff of the Sheraton Warsaw in 2005, Sasin met the hotel's executive chef Artur Grajber who eventually let him jump in at the deep end of the hotel's cooking, first first as the chef of the hotel's Mediterranean restaurant, then the Asian restaurant, and after that as Grajber's deputy.

"The gastronomic operations of the Sheraton Warsaw amount to a major enterprise," Sasin says. "There are three restaurants, a big catering operation, a big banquet kitchen... The executive chef has to manage it all in a seamless way, and working with Artur Grajber was an sub-



**One to Four:** Sasin in his element. **Five:** A Sasin-designed fish bowl which is the natural habitat of a particular fish Sasin serves in it. It depicts the colors of a lake formed among volcanic rocks in the area. The bowl stays warm for a long time and makes the fragrance more inter-



stantial educational experience for me.”

This was how Sasin realized that in order to manage such a complex business he needed to increase his understanding of contemporary management. He enrolled on a MBA course at Warsaw University which he finished in 2009. It was a trying time for Sasin, who had to combine work with his personal life (his child was born around that time) and studies. “It was difficult, but we made it!” he says proudly.

### Beyond the kitchen

Yet, the Sasin professional history would have taken a different course had it not been for his encounters with Thai chefs who exposed him to Oriental culinary culture. “I was at the helm of an Asian restaurant in Warsaw for two years and my supervising cooks were Thai cooks,” Sasin says. “There were no cultural barriers between us and they taught me to cook Thai food as if I were a Thai myself.”

This experience led Sasin to undertake

### Personal touch

A perfect dining experience is nearly impossible to evoke. It materializes when your guests indulge in the food and savor every moment and remember it long after the actual act of dining has taken place. Experienced chefs use different techniques to achieve this. For Sasin it is the amount of personal involvement that the cook puts into the preparation of a particular dish. Once he came up with an idea for a dish which needed a very large shrimp. After a thorough and lengthy search, which in its own right became an obsession for Sasin and some members of his team, he laid his hands upon a type of shrimp that surpassed his expectations. “Each individual shrimp weighed 600 grams! They looked like lobsters—absolutely the largest shrimp in the world,” Sasin says.

Another time, during his travels in Asia, Sasin ran into a local lady who was preparing a soup for her family. Sasin saw that the ingredients she used were special and decided to find out what she was making. As a result

### The human factor

In the modern hospitality industry, at peak times, restaurants and catering serve thousands of dishes daily, and all of them must be of the expected high quality. To deliver the quality to each and every dish that leaves the kitchen. Even the most experienced and creative chefs need to be at the helm of a team of dedicated and committed professionals. It takes a while to build such a team and Sasin can boast about having one of highest staff retention rates across all of the five-star restaurants in Warsaw. He achieved it by mixing a management principle that requires his team to stick to the structure and follow his instructions with warmth and a sense of individualism. “I’m looking for people with dedication and commitment to the cooking profession,” he says. “People who are ready to put their heart into what they do”. This approach works and it is a universally acknowledged truth in the cooking circles in Warsaw that the kitchen of the Sheraton Warsaw is a



a number of professional assignments in foreign destinations. He first went to work at Sheraton hotels in Abu Dhabi and Dubai, then in Shanghai and Seoul. As his professional experience grew he was assigned a job in the kitchens of the Cosmos Hotel in Moscow, one of the largest hotels in the world, with dining rooms for 4,800 people. “This experience exposed me not only to different cooking cultures but also to the work of the world’s biggest hotels. I became fascinated with the hospitality industry’s operating principles and practice,” Sasin says.

this unique soup is on the menu.

But for Sasin sharing personal experience with his diners goes far beyond the food itself. Once on his travels he went to a lagoon which was the natural habitat of a particular kind of fish. What he saw inspired him to design a fish bowl which would evoke the colors of the lagoon. He contracted an artist who made a ceramic bowl and now it is how Sasin serves particular fish dishes at his restaurant at the Sheraton Warsaw.

Another Sasin-designed bowl came as a result of a trip to the Canary Islands where he visited a green lake which had formed among volcanic rocks. “It is a fantastic bowl which stays warm for a long time and makes the fragrance more intensive and colorful,” Sasin explains.

This is how it goes with Sasin. If you dine at one of his restaurants there is no way you can miss out on the fact that the chef put his heart into the preparation of the dish before you.

good place to be. The waiting list of apprentice cooks who would like to join the Sasin team is long.

### The place to be

With over 10 years of traveling to and fro on his assignments in Asia and other places Sasin developed his professional confidence. Now in charge of the Sheraton kitchens Sasin takes pride in the high standards that his team delivers across a range of different types of cuisine. “I’m happy where I am because here I can maintain a top quality kitchen,” Sasin says. “I have guests from all around the world who appreciate the food and it makes me think that I’m in the right place at the right time. I don’t need to look any further,” he reflects about his job at the Sheraton Warsaw.

• Tom Ćwiok

bowl which renders the colors of a lagoon  
Six: A Sasin-designed pasta bowl, which  
the Canary Islands, “a fantastic bowl which  
nsive and colorful”.



# Monthly Meeting

March

## Reality check

### Poland wants innovations that change life

**P**iotr Dardziński, Undersecretary of State at the Ministry of Science and Higher Education, met AmCham in March to discuss reforms to higher education developed by the ministry under the supervision of Minister Jarosław Gowin.

On the one hand, the reforms aim to encourage the private sector to invest in R&D projects, and on the other hand, stimulate a greater willingness scientists to get involved in R&D projects with the private sector.

#### Encouraging investors

Dardziński said that the first legal act which addressed the needs of investors by offering them tax deductible options related to the amount of money they spend on innovations, was authored by former President Bronisław Komorowski, and became law in 2015. It, however, offered mediocre financial benefits. In 2017, the Law and Justice (PiS) government replaced that bill in a fast-track legislative move to offer higher incentives in hopes to spur innovation development. Later, however, the government drew up yet another innovation bill, which became law in 2018. It grants tax deductions covering 100 percent of the costs associated with developing and implementing innovative products and services. Unlike before, today deductible costs include the costs of the protection of intellectual property, but also the cost of materials, such as chemicals, and other nondurable materials used in conducting R&D.

In addition, for some companies the government offers an option to deduct as much as 150 percent of the qualified costs. This incentive applies to entities which have the status of "R&D center". Companies which generate at least 30 percent of their revenue through the sales of R&D services can apply for this status at the Ministry of Science.

Dardziński said that many companies engaged in R&D do not use incentives because they fear the tax authorities who often question certain types of cost categories that companies include as tax deductibles, and force them to pay higher taxes than the companies anticipated. To prevent this, the ministry wrote recommendations for the Ministry of Finance regarding how tax officials should deal with verifying tax incentives so the entrepreneurs, during an audit by the tax authorities would not feel that they are being treated as tax dodgers.

Dardziński said that in order to prevent that from happening, the Ministry of Finance decided to offer training to entrepreneurs so they may be on the same page as tax officers when it comes how they interpret certain

regulations and cost categories.

#### Encouraging scientists

Another problem that the Ministry of Science and Higher Education addressed in its reforms aims to dwarf the reluctance of the academic circles to get involved in cooperation with the private sector. One reason why academics do not value such cooperation is that the scientific progress of doctorate and post-doctorate students and senior academics has been evaluated according to the number of scientific articles they publish. The ministry decided to change that and add a new evaluation component—the impact scientific work has on society, including commerce. With this, a commercial application of an innovative product or service will have the same weight for evaluation purposes as an article published in renowned scientific titles, such as *Nature* and *Science*.

The ministry went even further by offering a practical solution. It started a pilot project in which innovative companies that want to employ scientists. They are matched with

young scientists who are willing to work in the private sector and do R&D for the companies which hire them. The R&D work is a part of their doctoral program supervised by a senior scientist, the so-called "promotor" of the doctoral dissertation. With this, companies have scientists on their teams who contribute to the R&D projects and are paid the minimum salary only. The other part of the remuneration for the scientist comes through a monthly scholarship of PLN 2,500 net, which is provided by the ministry. The program lasts for five years and has to lead to the development of a concrete innovative solution. If no such result is achieved in 5 years, the scientist is obliged to paid the scholarship back.

According to Dardziński it is an attractive proposition for young doctorate students who in this program can make between PLN 4,000 to PLN 6,000 in their first job after the university.

The deputy minister said that the first edition of the program attracted 374 doctorate students from 60 university departments across Poland. In turn, the majority of companies that signed up for the program represented the small and medium sized business sector.

The ministry hopes that in 3 years there will be approximately 500 doctorate students in the program, while the target, to be reached in a few years from now is 2,000.

All technology companies are welcome to enlist in the program. The ministry has no preferences regarding the origin of the capital behind the companies in the program. All companies registered in Poland are eligible.

Also, there are no preferences when it comes to company size. In the first edition of the program 2/3 of all companies admitted to it were small and medium-sized enterprises, but big companies are welcome as well.

#### The Łukasiewicz Network

When it comes to having huge R&D potential, apart from technical universities, the country has over 100 "industry R&D centers". Those are old-type "institutions" established during the days of the centrally-planned economy to provide scientific assistance to state-owned companies in their respective fields of industry. When the Polish economy was decentralized and state-owned companies were privatized the centers continued as government-owned institutes. The ministry picked 38 of them to combine into a national R&D network, called Łukasiewicz, after a successful Polish entrepreneur, who invented the world's first kerosene lamp and built the first refinery. With the Łukasiewicz project, the ministry is attempting to create a Polish equivalent of successful scientific networks in Germany and France.

#### MEET THE SPEAKER



**Piotr Dardziński**, Undersecretary of State at the Ministry of Science and Higher Education, is an academic teacher with interests in economic policy and economic doctrines. He taught history in Kraków at the Jagiellonian University and Józef Tischner European University. He wrote his doctoral dissertation on political science. He was one of the cofounders of Tertio Millennio Institute Foundation and served as the NGO's director and vice president, and later served as director of the Center for Thought of John Paul 2. He served as editor of *Azymut*, a supplement to *Gość Niedzielny*, a Catholic weekly dedicated to religious and political issues. In 2011 Dardziński became chief of the political cabinet of Justice Minister Jarosław Gowin in a government led by the Civic Platform PO.





# For the most recent information about the AmCham Committees and upcoming events visit **amcham.pl**

## Agri, Food & FMCG



**Mission:** To provide a platform for discussing and overcoming issues and identifying opportunities related to operational activity for companies in the agricultural and food sectors in Poland by creating a basis for dialogue and expertise leveraged among producers, sector professionals, experts and decision-makers in the Polish government. **Co-Chairs:** Piotr Bonisławski, Eli Lilly Polska; Andrzej Pawelczak, Animex.

## Business Technology & Services



**Mission:** To provide a platform for discussing, identifying and addressing common SSC/BPO issues related to high-tech operations; to maintain contact with local authorities, educational and governmental institutions to present a unified business perspective and options for cooperation. **Co-Chairs:** Jacek Stryczyński, Lionbridge; Angelo Pressello, Direct Communication.

## Defense & Security



**Mission:** To discuss issues regarding the defense industry and exchange information, to create a networking forum for members, and to lobby and encourage decision-makers in government. **Co-Chairs:** Stan Prusiński, Boeing Europe; Marta Frąckowiak, DLA Piper.

## Digital Economy



**Mission:** To provide a forum for innovative companies to support the digital economy in Poland as a key driver of sustainable growth. It aims to raise awareness about the importance of balanced investments in digital infrastructure, fully exploiting digital potential, and increasing competitiveness in the global environment. **Co-Chairs:** Marta Poślad, Google; Mariusz Mielczarek, Amazon.

## Energy & Environment



**Mission:** To help members develop their energy and environmental business in Poland. By helping members work collectively to overcome any systemic difficulties encountered in their business the committee aims to increase the level and quality of investment and activity in these sectors. **Co-Chairs:** Agnieszka Jankowska, GE; Agata Staniewska, CEC Government Relations.

## European Union Affairs



**Mission:** To provide a platform for discussing business-related issues coming out of the EU, including EU funds; to work with AmCham EU on mutual lobbying initiatives; and to represent member companies before the European Commission and the government of Poland. **Co-Chairs:** Jerzy Thieme; Kamil Rosiak, KPMG.

## Health



**Mission:** To represent the voice and opinions on various issues of the health sector, to discuss conditions, news and challenges of the sector; to provide expertise. **Co-Chairs:** Ernest Bartosik, Unipharm; Aldona Zygmunt, Pfizer.

## Human Resources Management



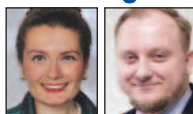
**Mission:** To create an information exchange forum of HR professionals to share, discuss and learn about the latest trends in HR management and influence local policy and decision-makers. **Co-Chairs:** Jolanta Jaworska, IBM Poland; Agata Dulnik.

## Manufacturing



**Mission:** To provide a platform for discussing issues and problems related to the manufacturing sector in Poland and to provide networking opportunities; to discuss conditions, news and challenges in the manufacturing sector across Poland; to coordinate with AmCham's annual Manufacturers' Forum. **Co-Chairs:** Joanna Bensch, Geopolitical Intelligence Services AG; Przemysław Paździorek, 3M Poland.

## Marketing & Communications



**Mission:** To provide a forum for member firms to share knowledge and exchange experiences in marketing, communications and PR, provide educational and networking opportunities for member firms interested in these areas, and serve as an advisory body for AmCham. **Co-Chairs:** Anya Baum; Łukasz Kowalski, MSLGroup.

## Sustainable Real Estate



**Mission:** To discuss issues regarding the complexities of the real estate market in Poland, and exchange information. To be an educational and networking forum for members and to lobby and influence legislative departments of the Polish government. **Co-Chairs:** Magdalena Pavlak-Chiaradia, ERM Polska; Tom Listowski, Cresa.

## Pharma



**Mission:** To represent the voice and opinions of pharmaceutical companies, to improve access to innovative therapies as a major factor of investment growth in Poland, as well as to collectively influence local policy and decision-makers for modern healthcare solutions based on business to government dialogue and public-private partnership. **Co-Chairs:** Jacek Graliński, Amgen; Andrzej Dziukała, Janssen-Cilag.

## Tax & Financial Services



**Mission:** To provide a platform for identifying tax and financial issues and create an educational forum to keep AmCham members informed on current legislation. **Chair:** Adam Soska, PwC Polska.

## Travel & Tourism



**Mission:** To provide a platform for discussing issues and problems related to travel, leisure and the hospitality industry and to provide networking opportunities and to discuss trends and standards in the industry that will allow members to fully benefit from AmCham. **Co-Chairs:** Tim Hyland, FCM Travel Solutions; Frank Wagner, Lufthansa Group.

## THOUGHT LEADERS

Individuals who are point people and experts for specific areas of interest for AmCham that do not require a formal committee structure or activity level.



**SME & Entrepreneurship**  
Alain Bobet



**Innovation**  
Bogusława Skowroński



# Monthly Meeting

February

## Sharing values, costs and profits

### Poland and the US are good business partners

In February, AmCham held its Monthly Meeting with Marek Magierowski, Deputy Minister of Foreign Affairs, responsible for Poland's economic diplomacy in Asia, the Americas and the Middle East.

Magierowski began his speech by saying that the US and Poland have a strong bond because both countries share the economic and social values.

What is more, the relations between the US and Poland span critical areas for both countries, such as national defense, counterterrorism, energy and trade.

The US-Poland strategic partnership forms a significant part of the transatlantic relations which strengthen the political and economic alliance between North America and the European Union.

The depth of US-Poland relations was manifested during President Trump's visit to Warsaw in 2017 and reaffirmed a year later with the visit of Secretary of State Rex Tillerson.

Poland's ambition is to be one of the pillars of the transatlantic alliance and this is why the country plays a critical role in supporting the US in Europe. "Europe needs the US as much as the US needs Europe," Magierowski said.

The US-Poland cooperation is critically important "when international order and institutional systems are extensively undermined by such countries as Russia and North Korea, and seriously threatened by various challenges, such as terrorism, cybercrime, and other activities of hybrid nature," the deputy minister said.

In addition, Poland is a strong supporter of the US-led European Deterrence Initiative, which aims to improve the readiness and responsiveness of armed forces in Europe. While the EDI is directly focused to answer potential threats from Russia, it also galvanizes US support to the collective defense of NATO allies in Europe and bolsters the security and capacity of US partners in Europe.

Magierowski said that the increased EDI budget, which went up from USD 3.5 bil-

lion in 2017 to USD 4.8 billion in 2018, "is a long-term investment in a stable a political environment

"Security and defense," Magierowski continued, "are not separate and isolated areas but they are directly connected with economy and budget proposition industry capabilities, technologies, and others."

The deputy minister underlined that Poland has been committed to spend on defense the equivalent of 2 percent of the country's gross domestic product, and will increase its defense budget to 2.5 percent of GDP by 2030. It is money well spent as "as much as 20 percent of that amount is allocated to the modernization of the Polish armed forces," Magierowski noted.

With such ambitious plans for financing its security and defense, Poland stands as one of the leading contributors to defense in Europe within all NATO countries.

#### Going strong

Ambitious defense programs need heavy financing and that can not be achieved without a robust and competitive economy.

The Polish economy is robust and has been on the path of growth for decades. US investors have contributed to this success as with their investments in Poland they transferred to the country their known-how, business acumen and offered access to global value chain for Polish companies.

Today US investors support over 220,000 jobs in many different industries. Nearly all big US companies are present in Poland with their innovative products and solutions, and all are involved in R&D utilizing the potential of the Polish science.

The deputy minister said that the government is proud of the Aviation Valley, which is well-known globally for the quality of aerospace products, "thanks to US investors down there".

He added that with the presence of US companies in all important industries in Poland the cooperation between American and Polish companies is mutually benefi-

cial. "Our economy benefited from the US know-how and expertise and we count on a continuous cooperation with the US," Magierowski said.

He noted that over the years Poland has become one of the top destinations for foreign investment not only in Central and Eastern Europe but in the entire European Union. "All surveys which measure the attractiveness of countries for foreign investment indicate that Poland is the most attractive destination," Magierowski said, adding that one of the key ingredients of the attractiveness are the young and well-educated employees available in Poland who have professional work ethics.

Others strong points of Poland include a stable financial system, and stable fiscal policy, and a stable government.

Poland has been recognized worldwide as a good place for business and the government wants to "retain this image of a country which unlike many others is still attractive to foreign investors and that they should have an increasing interest in Poland," Magierowski said.

#### More trade

Despite the fact that an increased trade and investment is mutually beneficial for all sides concerned, of which Poland and the US are the best examples, there are

#### MEET THE SPEAKER



Marek Magierowski, Deputy Minister of Foreign Affairs, has a huge experience in journalism having worked as reporter, editor and columnist for a number dailies and weeklies, including *Gazeta Wyborcza*, *Newsweek Polska*, and *Forum*. In 2006-2011 he was deputy editor of *Rzeczpospolita*, one of the largest liberal dailies in Poland, and after that he contributed as columnist to the political pages of *Uważam Rze*, and *Do Rzeczy*, *Przewodnik Katolicki* and *W Drodze*, and was a host of a show on the economy in *Telewizja Republika*. In 2015 he was appointed by the President of the Polish Republic as expert on public diplomacy, and later, as Head of the Presidential Press Office, a position which he held until May 2017 to leave for the Ministry of Foreign Affairs, where he is responsible for Poland's economic diplomacy in North America, Asia and the Middle East.



strong political obstacles to more trade between the US and the EU which led the suspension of the TTIP negotiations, a free-trade and investment agreement negotiated between the US and the EU. Magierowski said that the Polish government hopes that those political obstacles may be overcome soon leading to the resumption of the TTIP negotiations.

Meanwhile, the US and Poland have been working to deepen and broaden their trade links, especially, but not exclusively, in energy security and innovation.

Both Poland and the US are strong supporters of diversifying the EU energy sources. "President Trump said that America is committed to helping Poland and other nations to diversify their supply of energy so they can be never held hostage to a single supplier," Magierowski said.

As a result of that US-Poland cooperation, in June 2017, the first delivery of LNG from the US reached the gas port in Świnoujście, Poland, and more deliveries of natural liquid gas are in the pipeline. "Polish diplomacy is engaged in bilateral talks with the US administration as further provisions of liquid gas from the US to Poland will be beneficial to both countries," Magierowski said, adding that it is technically possible for Poland to integrate its gas pipelines with the European system. "The gas from Poland may be transported to neighboring countries and the entire region," he said.

#### Innovation

An innovative approach to the economy is a must in today's technology-driven world. The US and Poland have a long history of cooperating in innovation, as more and more companies from both countries engage in joint R&D projects.

Over the years, and with the input from leading American technology giants, such as Google, Poland has established a modern technology startup environment. The government has earmarked billion of zloty in venture funds, which are looking to invest in promising tech startups. Also, Poland has a steady inflow of money from the EU through EU funds which are designed to boost the development of innovative economy in the country. "Polish tech companies are looking for opportunities to cooperate with US firms which would help them evolve into global companies by plugging them into the global value chain," Magierowski said.

There is a huge potential in Poland, noted Magierowski who talked about the spectacular success of a video game called *Witcher*, which was developed based on a novel authored by a Polish writer, and commercialized by a Polish company. Today, the *Witcher* is one of the best-selling video games in the US. "There are more compa-

Polish diplomacy is engaged in bilateral talks with the US administration, as further provisions of liquid gas from the US to Poland will be beneficial to both countries. The gas may be transported from Poland to neighboring countries and the entire region.

nies such as the one which developed the *Witcher*," he said. "They have interesting, innovative products and are looking for new and lucrative markets outside of Poland and outside of the EU".

While some Polish companies eye the US market for expansion and business opportunities the AmCham is always there to help them. The deputy minister acknowledged the role of AmCham in this area. "We remember the tremendous support we received from AmCham in 2014," Magierowski said. "The US-Poland Innovation Week held in Los Angeles in 2014 was the biggest event in Silicon Valley related to the promotion of the Polish economy," he said, adding "My gratitude goes to AmCham for its tireless efforts to promote US-Poland economic ties."

Talking about the strategic areas in developing innovative solutions for the Polish economy, Magierowski pointed to the coal-mining sector. "Coal is a significant part of our economy. Some 90 percent of electricity is generated by coal-powered plants," he said. "We have to use modern technologies because we can not give up coal, but on the other hand, we will have to comply with international regulations on the emissions of greenhouse gases". ●





# Where do we go from here?

The digitization of tax systems opens new opportunities for tax authorities as well as taxpayers

In March, AmCham Poland hosted the 13th Regional Tax Conference, an annual event organized since 2006 by AmChams in Central and Eastern Europe. This time the conference was held under the patronage of the Ministry of Finance and in cooperation with AmCham Hungary and AmCham Slovakia.

On the agenda was the digital future of taxes in Central & Eastern Europe.

The keynote speakers were Paweł Gruza, Deputy Minister of Finance, and Eelco van der Enden, Partner at PwC Nederland, both of whom later joined their colleagues for panel discussions with Zhanna Klyukanova, Tax Manager CEE, at International Paper; Piotr Piśula, Central Europe Tax Group Manager at Procter & Gamble Polska; Mikołaj Woźniak, Director Tax & Reporting Strategy at PwC Polska, and Marcin Siedelnik, Partner at PwC Polska.

In his opening speech, Tony Housh, AmCham Poland Chairman, said that the conference was a part of an ongoing dialogue between the private sector and the government side, about the common challenges that taxpayers and tax authorities face. “We have had an excellent dialogue and have been working on a number of challenging issues for some of our investors and member companies, that effect not just individual companies but entire sectors,” Housh said. “That open dialogue is absolutely critical, and I would like to recognize that our conversation with the ministry is on regular basis.”

This view was echoed by Tomasz Barańczyk, Managing Tax Partner at PwC Poland, who on behalf of PwC, which was one of the conference sponsors, delivered his welcome address, saying that while technology influences commerce, it will also have a significant impact on tax systems because “technology is an important component of tax security not only for companies but states as well.”

Barańczyk noted that technology can be used by tax authorities to close the gap between paid and unpaid taxes. Tax experts have recognized that potential and new IT-based solutions have been introduced in Western Europe, and now are introduced in tax regimes across Central and Eastern Europe.

But the private sector also looks at technology and how it can help comply with tax requirements and deductions. For the private sector the issue is compliance but also efficiency. “Without technology we won’t be able to drive into efficiency in dealing with tax regimes in our businesses,” Barańczyk said.

### The challenges

The problems surrounding tax system digitization processes addressed Eelco van der Enden, saying that “going digital” is high on the geopolitical agenda because an efficient and transparent tax system “goes along the introduction of the sustainable development goals” advocated by many governments all around the world. It is in their interest, therefore, to enforce compliant behavior on the part of taxpayers as “tax administrations are crucial for the social and economic wealth of countries,” van der Enden said.

But the application of IT solutions in tax regimes is not an easy thing to do. One of the obstacles is that the majority of tax officers are individuals who have not grown up surrounded by technology. They have low levels of tolerance of new technologies and are reluctant to embrace new software solutions.

This is why many administrations, when they start implementing IT systems, still have people who stuck to “paper solutions” because they are old and lack the necessary “digital skills”.

Another problem is that some administrations make mistakes while implementing IT solutions. One common mistake is that administrations have no clear visions what exactly they want to achieve by transforming to different IT platforms. This may happen when individual departments, such as the VAT unit, the transfer pricing unit, and others, have their own visions for the implementation of IT solutions. This results in the lack of interoperability, which results in chaos.

Another problem occurs when wrong people manage transformation projects. Tax experts and inspectors, who often do manage transformation projects, do not always have the right understanding of IT and are incapable of utilizing the technology in the optimal way for the purposes of the tax administration.

On the other hand, however, the process

can not be entrusted to technology people alone because they lack the appropriate understanding of the goals that the technology must meet for the tax administration purposes. “If you have technology managers only, you may get a wonderful system that does whatever you want but not for the right purpose,” van der Enden said.

Another problem is that while transforming their tax systems to IT platforms tax authorities often work under political pressure as governments tend to “see success fast”. This often results in setting unrealistic timeframes for the transformation and leads to an insufficient technological supervision. “If you do not measure the performance of the system during the transformation, you will have no clue whether it is working or not,” van der Enden said.

There are also obstacles in applying new technology by tax regimes stemming from existing laws, such as those governing data security. Van der Enden believes that some data protection regulations are too strict to allow for a cooperation between tax authorities and technology companies. “This problem must be overcome, because independent technology companies can support tax administrations to assess and validate tax data,” van der Enden said.

In spite of all those issues it is clear that technology enables organizations analyze and process data for reporting standards and audits, and that it supports monitoring and control process. “Technology works for both, organizations and tax administration, and that is why it is implemented everywhere,” van der Enden said.

The good side of this trend is that in order to make the best use of the IT technology, tax authorities change tax rules so taxpayers can provide more effective input to the system. New regulations aim at “transparency by default, simplification of tax laws, and shifting from traditional complex tax law to simplified tax regulations,” van der Enden said.

But the benefits for taxpayers can go even further. “If you are a company that can prove to your tax administration that you have a system which can reliably send data to tax administration, you can have a completely different audit strategy than other clients,” van der Enden said.





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# Focus

## AmCham Regional Tax Conference

### The SAF revolution

The practical aspects of IT system implementations to tax regimes were also mentioned by deputy minister Paweł Gruza, who talked about how the Ministry of Finance developed a new IT platform for financial reporting—the Standard Audit File (SAF).

Gruza said that the implementation was a success because the number of taxpayers who met their deadlines signing to the system and producing financial reports in the SAF format was over 90 percent, which was a record-high number as compared with other countries where the SAF system had been introduced.

The system is up and running and it is robust. In January it processed over 650 million invoices. In this number 100,000 required additional checking. “We have devised a plan to have a dialogue with the taxpayers to solve these potentially fraudulent invoices,” Gruza said.

The success of the SAF system would not have materialized had it not been for the right experts who were involved in creating it. “We have brought on board many professionals from taxation and IT fields, because having the right people makes the whole difference,” Gruza said.

However, recruiting top experts in IT and taxation was not easy. The ministry had to offer them competitive salaries but it could not, at least, not directly, as public institutions have limits in how much they can pay their employees. To overcome this obstacle the ministry established an IT company, that “had more flexibility to employ people for higher wages”. Once the right people had been hired the ministry could proceed with developing the right software.

Another issue that the ministry had to deal with was that the legal acts governing the introduction of SAF in Poland did not cover a new type of online digital authorization protocol. Some 10 percent of taxpayers had been already using it. The ministry managed to have a new legislation passed within days so their software engineers could include the new authorization mechanism in the SAF system and still meet the deadline for delivering the entire SAF system.

All the efforts paid off. According to Gruza, the SAF system is “a game changer

for the administration” because it offers automated dealing with VAT reporting which makes the old, manual way obsolete.

Having achieved success with the implementation of the SAF system, the ministry is looking at new ways of applying IT solutions. The SAF system may soon be enhanced with a new component which will

let taxpayers feed their financial data to the tax database of the tax authorities in more often than once a month. Instead, the ministry plans to have the data sent in every three days, at least for some time. “The goal is to have the system feed the data in real time,” Gruza said.

### Beyond IT solutions

Equipped with the best minds and the newest IT technology, the ministry still finds it impossible to tap into the taxation of trade executed on e-commerce platforms. “All the tools that we have are not enough to solve the challenges of e-commerce,” the deputy minister said.

A part of the problem is that to properly tax e-commerce requires an “interdisciplinary” approach,

which covers different regulations in different tax regimes and other issues “that are not addressed even by the International Postal Convention,” Gruza said.

The work to solve that problem is underway not only in Poland but in other countries as well. “It is a huge challenge for us and other tax administrations because it is unsustainable when all traditional retailers have to pay VAT while retailers who use e-commerce platforms do not have to pay it,” Gruza said.

Another sphere where the ministry would like to enter but does not know how at present is the area of aggressive tax evasion schemes that some companies execute on the international level.

The deputy minister explained that many tech companies are very profitable in Europe but they do not pay taxes on their income. The European Commission has come up with “very simple yet efficient recommendations” of how to tax their profits. But even such ideas will deliver zero results if companies can restructure and transfer some of their profits, generated in one country, to another country where they do not pay taxes. “With new IT tools, new data and new reporting systems we can solve some transfer pricing issues, but when it comes to international aggressive tax evasion schemes, it is very hard to combat them automatically, being equipped only with IT tools,” the deputy minister said.

• Tom Cwiok



*It is unsustainable when all traditional retailers have to pay VAT while retailers who use e-commerce platforms do not have to pay VAT. We have to solve this problem and this is something we are working on right now.*

Paweł Gruza, Deputy Minister of Finance

feed financial data from the banking and financial sector to the ministry's database. When the component is up and running the ministry will be able to crosscheck invoices against financial flows, and pinpoint fraudulent transactions right away.

### A clear vision

The Ministry of Finance has an ambition to utilize the power of IT to the full. Now, a work is underway to digitize financial statements. “It will help us deal with transfer pricing and other issues,” Gruza said.

The ministry plans to develop such new instruments that not only improve the quality of tax information it receives but also cut the red tape. “Right now we have a double work in the system,” Gruza said. “Taxpayers indicate paying VAT and we do the reverse. But we can develop proper tools and do away with VAT returns, hopefully next year,” the deputy minister said.

Also, the ministry plans to introduce a new mechanism, whereby taxpayers would have an opportunity to check if an invoice they have paid for has been reported in the system by its issuer. “This would do two things,” Gruza explained. “First, it would allow the validation of invoices in almost real time. Second, it would give the taxpayers the comfort of checking if the issuer reported the invoice they have paid for, so the taxpayer would be performing the checking for us.”

Such a solution will be implemented in the SAF system “in the near future”.

Other upgrades to the system may soon





# AmCham Advisory Council...

... accumulates the knowledge and experience of its member companies and is a point of advice to the AmCham Board of Directors. With its global business expertise the Council has helped the American Chamber of Commerce in Poland to become one of the leading advocates of business in the country.





# Monthly Meeting

January

## Going strong

Poland's economic prospects are good

The AmCham Monthly Meeting in January focused on Poland's political and economic situation and the potential outcomes for business in the upcoming months. The discussion panel consisted of four experts, Bas B. Bakker from the International Monetary Fund, Piotr Czerniak from the market intelligence company Polityka Insight, Piotr Dmuchowski from HSBC Bank Polska, and Marek Matraszek from CEC Government Relations. The discussion was moderated by AmCham Chairman Tony Housh.

### Political landscape

The meeting took place less than a month after Jarosław Kaczyński, the head of the governing party Law and Justice (PiS), and a PiS MP, who holds no formal position in the government but nevertheless is pivotal in delegating PiS politicians to government roles, replaced prime minister Beata Szydło with Mateusz Morawiecki, a former banker and economist with some experience in international relations and a track record as a PiS politician who previously served as a member of Szydło's cabinet.

According to Marek Matraszek, the nomination marked a major change in government policies with a new focus on economic rather than social issues and a reset in Poland-EU relations.

The new prime minister had already taken some major steps, including reshuffling the cabinet. He split the Ministry of Develop-

ment in two: the Ministry of Enterprise and Technology, with Minister Monika Emilewicz at its helm, and the Ministry of Investment with Minister Jerzy Kwieciński in charge.

Another change, in the works at the time of the monthly meeting, was the liquidation of the Ministry of Digitization, which is pivotal in setting up policies supporting the development of the digital economy. In the Szydło government, at the helm of the ministry was Anna Streżyńska, a professional with no political affiliations, whom Morawiecki dismissed before becoming acting digitization minister himself.

Matraszek noted that Morawiecki will keep tight control over economic policies thanks to a number of loyal people holding economic positions in the government.

### Poland vs the EU

When it comes to external policies, Morawiecki will have to improve Poland's relations with the EU, which went into free fall under Szydło owing to Poland's reforms of the Constitutional Court and the country's judicial system. The European Commission considered the reforms undermined the principle of rule of law, one of the basic tenets of the EU. This is a major problem, Matraszek noted, because it damages Poland's reputation in the EU, and this in turn, "is not only about Poland's relations with the EU member states but also with foreign investors".

As a politician with some experience in dealing with the international business com-

munity, and and boasting a command of English good enough to support one-on-one conversations (which Szydło lacked) Morawiecki must have been viewed by PiS Chairman Kaczyński as more effective in communicating the rationale of the Polish government to the EU.

"The importance of re-establishing proper relations with the EU is very significant for Poland," Matraszek noted, adding that whether or not the government is willing to change its position regarding the problems that the EU has flagged "is another issue".

But that's not the end of it as far as Poland's relations with the EU are concerned. "One of the important things for Morawiecki is that he would have to work in order to safeguard as much money transfer as possible from the EU to Poland in the next European financial perspective," Matraszek noted.

Ever since Poland joined the EU in 2004, the country has been the single largest beneficiary of EU financial aid transferred from Brussels through cohesion and development funds. The steady flow of money fueled major public investment projects, and according to different economic estimates, contributed to the generation of 1% of the country's GDP. As the current EU financial perspective draws to an end the union has begun to plan its expenditures for the next seven year period starting in 2020. The mission for Morawiecki will be to salvage as many EU aid programs as possible, especially in the department of small and medium-sized enterprises.

### So far so good

Despite Poland's issues with the EU, the country continues to benefit from the inflow of EU funds, and also, through trade with other EU member states, which together with Poland comprise the EU's single market.

### MEET THE SPEAKERS



**Bas B. Bakker** is International Monetary Fund's Senior Regional Resident Representative for Central and Eastern Europe in Warsaw. Having joined the IMF in 1993 Bakker worked extensively on policy and economic research issues in Central and Eastern Europe. He co-authored *How Emerging Europe Came Through the 2008/09 Crisis: An Account* by the Staff of the IMF's European Department.



**Adam Czerniak** Chief Economist at Polityka Insight, a market intelligence service affiliated to Polityka, one of the largest weeklies in Poland. He earned his Ph. D. in Economic Sciences at SGH Warsaw School of Economics. Prior to joining Polityka, Czerniak worked as an economist at Kredyt Bank, and before that, for the World Bank. He authored a number of academic publications on the economics of real estate markets.



**Piotr Dmuchowski** is Head of Institutional Sales Department of HSBC Bank Polska. Dmuchowski holds a Master of Science degree from SGH School of Economics, and a First Class Master of Arts with Honours degree from Heriot-Watt University in Edinburgh. Since joining the bank 10 years ago Dmuchowski has been involved in major projects, including the issuance of Panda Bonds and Green Bonds by the Polish government.



**Marek Matraszek** is Chairman of CEC Government Relations, the largest political consultancy in Central and Eastern Europe. Matraszek earned a Master's degree in Russian and Eastern European Studies from Magdalen College at Oxford. At CEC Government Relations he is responsible for lobbying in Central and Eastern Europe on behalf of major clients from the UK, the US, and Europe-based multinationals.





As Bas B. Bakker noted, the economic aspect will continue to be favorable for Poland as the global economy is expected to continue its growth. "2017 was the best year for the economy since 2011, and 2018 will be even better," he said. "Advanced economies of the world will grow about 2 percent of GDP; China and India, 7 percent, and other emerging economy countries will continue to grow at around 3 percent GDP."

Bakker added that particularly the new EU members states "are doing very well".

"Poland generated economic growth of 4 percent GDP in 2017, and is expected to generate about the same amount in 2018," Baker said.

He added that while there has been some inflationary pressures on the economy, they were due to a growth in prices of commodities, such as energy and foods, "and not because the economy is overheating," Baker said.

#### Causes for concern

In order for Poland to sustain its economic growth the country needs to address the issue of a shortage of labor on the market. Every year the pool of working-age people (those

aged 15 to 64) in Poland is shrinking by 1 percent. At the same time labor productivity in Poland is not growing fast enough to make up for the loss of workers. "To maintain the levels of economic growth Poland either needs to increase the productivity of labor or increase the participation of the labor force in the labor market," Baker said, adding that the inflow of economic immigrants from Ukraine, although huge, is not going to be the answer to Poland's labor shortages in the mid-term.

Adam Czerniak, who agreed that labor shortages is the main risk to Poland's sustainable economic growth in the years to come, also said that it is imperative for the government to address structural budgetary problems. The recent boost in the efficiency of tax collection is just not enough. Due to strong social policies, the government spends more than it generates in tax revenue. While the good economic going continues the problem translates into a relatively small budget deficit. Yet, when the economic cycle takes a turn, "There may be a similar situation in the Polish economy as we had in 2007-08 when PiS was in power and introduced huge social policies which led to the increase in Poland's budget deficit during the global financial crisis," Czerniak said.

He also noted that because of labor shortages and a growing uncertainty about how further government reforms may affect business, foreign investors are not looking at Poland with the same enthusiasm as they once did which is evidenced by a fall in foreign direct investment.

This view, however, was juxtaposed by Piotr Dmuchowski, who referred to a survey of foreign investors done by business consultancy Grant Thornton and the government-affiliated Polish Agency for Investment and Trade, and said that "the mood of foreign investors in Poland today is as optimistic today as it was in 2007".

He explained that despite their concerns regarding labor shortages and the political situation in Poland, foreign investors still believe that the country offers great investment opportunities. "Foreign investors are coming here because they believe that they will find highly-skilled workers in Poland," Dmuchowski said. "They also see that the economy is strong with two engines of growth: exports and internal consumption."



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# Golden Principles shine on

## New FIDIC Conditions of Contract

By Andrzej Maciejewski,  
Legal Adviser, Associate,  
Łaszczyk & Partners



At the end of 2017, FIDIC (the International Federation of Consulting Engineers) published second editions of its three most widely recognized Conditions of Contract: FIDIC Conditions of Contract for Construction for Building and Engineering Works Designed by the Employer (known as the “FIDIC Red Book”), FIDIC Conditions of Contract for Plant and Design-Build for Electrical & Mechanical Plant, and for Building and Engineering Works, Designed by the Contractor (the “FIDIC Yellow Book”), and FIDIC Conditions of Contract for EPC/Turnkey Projects (the “FIDIC Silver Book”). FIDIC colorfully refers to all of the Conditions of Contract together as the “Rainbow Suite.”

### Overview

For many years, FIDIC Conditions of Contract have been used extensively as a contractual basis for various types of construction projects in jurisdictions all around the world. Each FIDIC “book” comprises of three main parts. The first part, the General Conditions, contains the main source of the rights and obligations of the parties to the construction contract (the Employer and the Contractor), as well as provisions on the roles of other participants in the project (such as the Engineer and Subcontractors). The second part is Guidance for the Preparation of Particular Conditions, together with Annexes: Forms of Securities. The standard practice for FIDIC contracts is to use the General Conditions but to modify them using Special Provisions. Such changes may be necessary, for instance, to reflect the special requirements of the project or to adjust the contract to suit the law in force in the specific jurisdiction, which may not be consistent with the General

Conditions. Each contract is also supplemented by information on the particulars of the parties and the project, in a separate part called Contract Data. The Special Provisions and Contract Data together are referred to as “Particular Conditions.” The third part of the FIDIC Conditions of Contract encloses various forms used in connection with the conclusion of the contract, such as Letter of Tender and Letter of Acceptance.

### What’s new in the 2017 edition?

The 2017 edition of the Rainbow Suite introduces a number of changes to the previous edition of 1999. The following are particularly notable:

- Greater detail and clarity is provided on the general requirements for notices and other communications between the parties and other participants in the construction process.
- Claims by the Employer and the Contractor (including claims for additional payment, claims for an extension of time for completion, or claims for an extension of the period for notification of defects) are now treated equally. For instance the 2017 editions specify the same 28-day period for giving notice of a claim, calculated from the time the claimant becomes aware of the event or circumstance giving rise to the claim, under penalty of losing its entitlement to any additional payment or extension. The new “books” also include more detailed provisions on dealing with claims, which are now clearly separated from the dispute resolution provisions.
- Introduction of mechanisms for dispute avoidance. The special body dedicated to assisting the parties in resolving disputes arising in connection with contract performance is now called the “Dispute Avoidance/Adjudi-

cation Board” or “DAAB” (instead of the “Dispute Adjudication Board” in the previous edition). This change is reflected in a new competence given to the DAAB, which may now provide assistance to the parties and participate in informal discussions seeking to resolve any issue or disagreement arising between the parties during performance of the contract. Such assistance may generally be given at any time, e.g. at meetings or site visits or via videoconference.

- Detailed new provisions on quality management (Quality Management System) and verification of the Contractor’s contractual compliance (Compliance Verification System).

There is also a special new feature of the second edition of the FIDIC Conditions of Contract known as the five “FIDIC Golden Principles.” The Golden Principles are the same for each “color” of contract and state as follows:

- The duties, rights, obligations, roles and responsibilities of all the contract participants must be generally followed as implied in the General Conditions, and appropriate to the requirements of the project.
- The Particular Conditions must be drafted clearly and unambiguously.
- The Particular Conditions must not change the balance of risk/reward allocation provided for in the General Conditions.
- All time periods specified in the contract for contract participants to perform their obligations must be of reasonable duration.
- All formal disputes must be referred to a DAAB for a provisionally binding decision as a condition precedent to arbitration.

The Golden Principles are part of the Guidance for the Preparation of Particular Condi-

tions. FIDIC strongly recommends that the Golden Principles be consulted and followed when drafting any FIDIC-based construction contract.

### Summary

The jury is still out on the new FIDIC Conditions of Contract. Strict adherence to the new provisions—in particular the detailed requirements on providing notifications, preparing records, and submitting claims—may prove challenging to some participants in the construction process. But the new FIDIC Conditions of Contract are written more precisely and unambiguously than the earlier editions. The value of clear phrasing in a construction contract can hardly be overstated. However, to make sure that the conditions of the contract are truly followed, the parties may have to scrutinize their performance more closely. They may also need to adopt new systems for managing contract performance.

It will be interesting to see how the Golden Principles are applied in practice. FIDIC says that the aim of the Golden Principles is to discourage the bad practice of introducing too-extensive modifications to the General Conditions. In extreme cases, such changes can demolish the balance of risks between the parties and strip the FIDIC contract of some of the basic features of the FIDIC system. However, the FIDIC terms are just templates, and FIDIC itself has no instruments to force users of the FIDIC “books” to follow the Golden Principles. It will still be up to the parties (and in practice, typically the Employer, who usually drafts the Particular Conditions, especially in public procurement projects) to decide the extent to which they will follow the Golden Principles. ●



# Getting better all the time

The benefits of developing R&D in Poland are on the rise

**T**he Polish grants and its tax incentives system as such has undergone some important transformations over the last decade. Considerable effort has been put into attracting foreign technologies and innovations aimed at incentivizing in-house research and promoting made in Poland development and innovation.

## Gradual transformation

Back in the financial period of 2007-2013 both tax incentives and grants were focused on technology import and hence supported mainly purchases of foreign innovations and products and services. Even though R&D incentives have been introduced for developing original products the system was so complicated that prospective beneficiaries did not rush to take advantage.

The 2014-2020 budget has brought a serious adjustment to this policy. Under the Polish R&D grant system some very attractive grant schemes have been introduced, based both on operating expenditures and capital expenditures, but investment grants have been restricted to very significant projects. Small and medium-sized companies could take advantage of these incentives and

**Striving to maintain the high number of jobs that foreign investors have created over the years in Poland, the government offers new incentive programs.**

support mechanisms but only for investments that have produced R&D results from in-house work, or purchased from third parties. On top of that, for the first time in Polish history 2016 heralded the introduction of classical R&D tax incentives. Special Economic Zones have grown to be the best place for large firms to get tax incentives on capital expenditures into manufacturing.

## Government interest

Labor costs in Poland still benefit some foreign investors but not necessarily in manufacturing. In R&D however, the market might be a development level similar to that of development level akin to that of the manufacturing sector 10 years ago in Western countries. Young and skilled engineers, who are still 2-5 times cheaper than their Western European or American counterparts, are entering the market and creating huge opportunities for companies to add value to, and expand their businesses in Poland. At the same time large manufacturers who are at the end of utilizing their incentives from previous financial periods are naturally thinking about alternative, less expensive locations.

Acknowledging these circumstances, the government is focused not only on increasing Poland's attractiveness as an innovative country but also focused on maintaining the existing jobs in Poland. The government is predominantly concerned with large automotive manufacturing but also the producers of household appliances and electronics.

Last but not least, the government is also watching the development of SSC/BPO hubs. With

this in mind, the government has been introducing incentives to attract value added services to Poland.

## Funds to choose from

The promotion of incentive schemes to attract companies in value added services and manufacturing sectors, aims aims to retain existing investors and attract new ones. This has given Polish managers an effective tool with which to impress decision-makers in international companies who have to decide where to locate their next high-tech investment project. If they choose Poland, they can tap now to new opportunities to improve their profit margins.

In 2018 alone, large, small and medium-sized businesses gained access to approximately USD 3 billion in funds available in the form of cash grants and unlimited amounts of tax credits, if they invest. With the EU's own incentives scheme, Horizon 2020, millions of euros will be available on top of that. With this Poland may appear as a country with a unique and advantageous incentive environment for investors investors looking for robust competitive advantages. ●

By Michał Turczyk,  
Partner, Head of  
Development and  
Innovation Grants &  
Incentives practice,  
Dentons



**4<sup>th</sup> The one-and-only  
of July AmCham  
Picnic  
2018**





# Making things simpler

By Marcin  
Jakubaszek,  
Counsellor at Law,  
Partner,  
JF Legal Jakubaszek  
& Fogo Sp.k.



## New regulations for business are here to stay

On 30 March 2018 the Polish Parliament adopted a legislative package, the so-called "Constitution for Business" which became law on April, 30. It was one of the flagship projects of the incumbent government that aimed to make the life of business people in Poland easier and was designed to simplify the regulations governing business activities.

Due to the fact that the new legislation introduces very many changes to the legal system in Poland it is beyond the scope of this article to review them all. Yet, some of the key elements of the "Constitution for Business" are more "revolutionary" than others, and thus deserve attention.

### The old ways

Before the new act came into force, each individual intending to commence a business activity had to register for this purpose in the municipal office of the district he or she was resident of. Only after such registration the individual could start conducting business activities. The registration, however, imposed some obligations on registered individuals. For instance, they were under obligation to pay premiums on social security. In the take-off phase, entrepreneurs paid less than the regular amount, but nevertheless, the payment was obligatory regardless whether or not any profit was generated. The newly minted entrepreneurs had to adhere to other requirements. They had to do simplified accountancy and keep the books of their business. They could do it on their own or hire professional accountants.

### One big change

With the "Constitution for Business"

things are different now. One new regulation is the so-called "non-registered business activity". In light of this regulation, if an individual, who has not conducted business activities for the last 60 months, turns to business and as a result generates a monthly income of below 50% of the minimum salary he or she is deemed an individual who does not conduct business, and therefore relieved of the administrative duties that business people are obliged to conduct as well as from paying social security premiums.

To fall under the category of "non-registered business activity", one needs to commence a business activity for the first time ever, or upon lapse of 60 months since the last suspension of the said activity or termination of such. It is also obligatory that the "non-registered business activity" has not been performed for the former employer for whom the individual has worked prior to undertaking "non-registered business activity".

What is more, if an individual undertakes business activity he or she is covered by the social security system, but does not have to pay the premiums to the system for 6 months as of the moment the business activity was commenced.

Individuals who enjoy the "non-registered business activity" status, may change their legal status and become "regular entrepreneurs". To do so they need to apply for registration at the Central Evidence and Information on Business Activity, and once granted admission to the register, they status will change to "regular entrepreneur". With this status, they are obliged to do the paperwork, keep books on their business and pay the pre-

miums to the social security system except for the first 6 months.

### Other new solutions

The "Constitution for Business" legal package includes a new act, the Entrepreneurs' Law, which allows those who have the registered activity status to suspend business activity. Furthermore, regular entrepreneurs who are registered at the National Court Register can also suspend their business activity. In light of this regulation an entrepreneur who has been registered on a register of entrepreneurs has the right to suspend business activity for a period from 30 days up to 24 months. It applies to both partnerships and companies.

The new legislation also amends the Polish Civil Code permitting individuals who conduct business activity on the basis of entry into the Central Evidence and Information on the Business Activity to have commercial proxy (attorney-in-law or plenipotentiary) whose scope of authorisation to represent is determined by the Civil Code). Before, this institution was not available for the individuals conducting business activity. The proxy will be registered in the Central Evidence and Information on the Business Activity.

The new legislation also defines some principles which should apply to conducting business activity in Poland. It is worth noticing that Article 8 of the Entrepreneurs' Law states that an entrepreneur may undertake any and all actions except for those, which are prohibited by law. Also, it states that an entrepreneur may be forced to act in a specific way only on the basis of the binding law. Article 10 of the same act introduces a principle that states that an ad-

ministrative body shall act with trust towards an entrepreneur and it is obliged to assume that an entrepreneur acts in accordance with all binding laws with the observance of good custom and in honest way.

### Good intentions

As with any new legislation, this one too raises some doubts when it comes to the provisions which are addressed to the public administration, and which require public officers to take new approaches towards entrepreneurs. The legislators decided to change those attitudes and approaches with legal provisions. While time will tell if this approach will be universally followed by public officers, it is a good thing that the legislator decided to go in the right direction. One can only hope that it will all work well in practice.

### Conclusions

Some of the amendments that the "Constitution for Business" has introduced into the Polish legal system look like a decisive step in the right direction. For example, the institution of the commercial proxy was available for individuals being entrepreneurs in Poland prior to World War 2, and its practical significance shall materialize very quickly. Also the possibility of suspending business activities – now available much wider – shall constitute a very practical instrument.

It is safe to say that the provisions addressed directly to entrepreneurs will be applied in practice as soon as circumstances allow.



# Events

AmCham in Warsaw



## Looking ahead

The AmCham Monthly Meeting in January focused on the 2018 economic outlook for Poland with the country facing labor shortages coupled with government labor market reforms, such as new early retirement schemes. The panelists were Bas B. Bakker, Senior Resident Representative for Central,

Eastern and Southeastern Europe at the International Monetary Fund; Dr Adam Czerniak, Chief Economist, Polityka Insight, and Tony Housh, AmCham Chairman. The discussion was moderated by Marek Matraszek, Founding Partner and CEO of CEC Government Relations.



1. Marek Matraszek, CEC Government Relations; Adam Czerniak, Polityka Insight; Tony Housh, AmCham Chairman; Bas B. Bakker, IMF; Piotr Dmuchowski, HSBC. 2. Bas B. Bakker; Piotr Dmuchowski. 3. Jan Roman Potocki; Dorota Dąbrowska-Winterscheid, AmCham Managing Director; Marek Matraszek. 4. Dorota Dąbrowska-Winterscheid; Joseph Tanner, Basell Orlen. 5. Andrzej Sajkiewicz, EY; Giuseppe Santoro, Dow Polska. 6. Nathan Espino, Aldgate Strategy Group; Paul von Arkel, Novartis. 7. Jerzy Bochyński, the Eastern Studies Institute; Dorota Dąbrowska-Winterscheid; Ernest Bartosik, Unipharm. 8. Thom Barnhardt, Biznes Polska; Ronald Given, Wofl Theiss. 9. Robert Grader, Warsaw Marriott Hotel; Tony Housh.



# A new lease of life

By **Karol Czepukojć**,  
Legal Adviser and  
Licensed Restructuring  
Adviser, Restructuring  
& Bankruptcy Practice,  
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Practice, **Wardyński &  
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## There is a way out for troubled businesses

**P**re-packaged bankruptcy, a legal framework introduced in 2016, offers the possibility of taking over the debtor's enterprise free of debt and other encumbrance so the enterprise continues its operations under a new name and by an entity or natural person affiliated to the debtor.

This framework may become an effective restructuring tool for an enterprise belonging to an insolvent debtor who, for reasons other than his unprofitable core business, has no prospects of repaying debts fully or partially within a settlement with creditors.

### How it works

The Bankruptcy Act provides that the debtor's entire enterprise, its organized part or assets representing a significant part of the enterprise may be sold by way of pre-packaged bankruptcy. Any entity entitled to file a bankruptcy petition against the debtor, including the debtor himself, is authorized to submit an application for the approval of the terms of a pre-packaged sale of the debtor's assets. The minimum information that this application ought to include is the identification of the assets intended for sale, their prospective buyer, the proposed sale price and a statement on whether the buyer is affiliated to the debtor.

An insolvent debtor may search for a potential buyer on his own and negotiate the terms of the sale with the selected buyer. These terms are subject to approval by the bankruptcy court, which looks into the case jointly with the announcement of the debtor's bankruptcy. In this situation, the closing of the sale transaction may occur fairly soon after the bankruptcy is declared. The bankruptcy estate is represented in the sale by the official receiver appointed by the bankruptcy court.

As a result of the negotiations, the applicant may agree with the prospective buyer on a draft of the sale agreement. In the decision approving the terms of the pre-packaged sale, the bankruptcy court may refer to the terms of the sale set out in that draft agreement. In this way, the official receiver becomes bound to the draft. It eliminates the need for negotiating an agreement with the official receiver.

If the assets that are the subject of the pre-packaged sale are encumbered with a registered pledge, the pledgee's written consent to the sale is required in most cases.

### Affiliated buyer

A pre-packaged sale to a buyer affiliated with the debtor is legally permitted. Such buyer may be:

- a) the debtor's spouse, blood relative or relative by affinity in a direct line or in a collateral line up to the second degree;
- b) a person remaining in a relationship or running a joint household with the debtor;
- c) debtor's adopted child or adoptive parent;
- d) a company where the debtor is a management board member or sole shareholder;
- e) a company where persons mentioned in points (a) to (c) are management board members or sole shareholders;
- f) if the debtor is a company or legal person—his shareholders or representatives and their spouses, or affiliated entities, their shareholders or representatives, or their spouses
- g) if the debtor is a company—its parent company or a company that is the parent company for the debtor and the buyer.

### The price

The applicant and the prospective buyer can not arbitrarily set the price at which the debtor's assets can be sold. When the sale is to be

made to an affiliated buyer, a description and valuation of the assets must be made by an expert selected from the court list of experts and upon an order of the bankruptcy court. This requirement ensures transparency of the procedure.

It is open to discussion whether the affiliated applicant must also enclose in the application a description and valuation drafted by an expert selected at his request from the court list of experts. However, we recommend that such an expert be used for practical and procedural reasons. If the sale price proposed in the application differs from the valuation of assets ordered by the bankruptcy court, the applicant may modify the application.

A pre-packaged sale to an affiliated buyer can be made at prices not lower than the amounts indicated in the valuation prepared at the request of the court. Therefore, in this case, amounts estimated in the valuation may actually serve as sale price amounts. A valuation of the assets should reflect the conditions of a forced sale, similar to those applicable in a liquidation bankruptcy under general rules. As a result, the price can be attractive.

### Acquisition of "clean" assets

A pre-packaged sale makes it possible to de-leverage the indebted enterprise. Generally, in a pre-packaged sale, the buyer acquires assets free of the debtor's liabilities and encumbrances (including tax claims) associated with the operation of the enterprise. Unlike under the general rules of law, the acquirer is not liable jointly and severally with the seller for such debts.

### Workplace transfer

A pre-packaged sale allows the debtor to transfer the sold workplace to the new owner together with its employees. Human re-

sources, which in many cases constitute the principal value of the enterprise, are thus preserved, but without the new owner's liability for any previous debt towards employees.

### Suppliers and customers

A pre-packaged sale makes it possible to head off a nervous reaction by his current customers and suppliers to the news of a bankruptcy and gives creditors the chance to retain them. Typically, in a pre-packaged sale, the debtor's customers and suppliers learn of his declaration of bankruptcy along with the information on the court approval of the terms of a pre-packaged sale of the debtor's assets. A search for a buyer, subsequent negotiations and preparation of the transaction take place prior to the declaration of bankruptcy by the current enterprise owner. At the time of the announcement of bankruptcy, the identity of the new owner of the enterprise will already be known. It gives him a chance to retain the existing network of customers and suppliers.

### Execution and payment

The official receiver is obliged to conclude a sale agreement with the buyer, on behalf of the debtor, within 30 days after the court order approving the terms of the pre-packaged sale becomes legally binding (unless the approved terms provide for a different deadline).

The sale agreement can be executed after the buyer pays the full price to the bankruptcy estate or after the price amount placed earlier in the court deposit is released to the official receiver. Deferred or installment payments are not permitted. A buyer who is the debtor's creditor will not be allowed to set off his receivable against the purchase price—the payment must be made in cash.



# Thou shall not steal!

There are ways of minimizing the risk of seeing your employees go

Employee retention is one of the key elements in the process of a company building its competitive advantage on the market. Yet, irrespective of their market position and reputation, companies often fall victim to so-called employee poaching. Unfortunately, employee poaching is on the increase. Competition for employees is on the rise thanks to the record low level of unemployment coupled with the rapid development of new businesses and the high concentration of business service centers in Poland. This competition is increasing in intensity and the companies who win the battle for new employees will play the ball.

## Valuable assets

As the saying goes, employees are a company's most important asset. However, unlike other assets, employees can walk away at the least expected moment. Every day, many employees decide to change jobs, move to different cities, or change their working environment. Regular turnover of employees is no surprise to anybody; however, losing valuable employees or teams before a deadline for an important project can be a challenge for any organization.

To make things worse, after they are gone their LinkedIn profiles are often updated with information that they now work for a direct competitor.

## Intentional wrongdoing

An even more unpleasant surprise would be finding out that former employees have passed on sensitive company information to their new employer, i.e. a competitor. In practice, structured employee poaching and the theft of trade secrets are closely linked. Extracting trade secrets from a company is difficult for an outsider, but it can be

relatively easy if there is a person working inside an organization who decides to leave and join a competitor. In recent years we have seen a growing number of such cases as groups of key employees have moved to competitors, taking substantial know-how with them, or have set up a competitive business on their own.

## Internal risks

Theoretically, every company should know its business and how to protect itself against potential risks. Companies often fear the risk from outside the organization, but do not pay enough attention to what is happening under their own noses. Only after a critical situation has already happened do companies notice that not all the appropriate security procedures were in place, because the business was going so well and nobody bothered to think about taking any relevant precautions.

In most cases, especially relating to employee poaching or industrial espionage, the victim company is unaware of the problem until it has already happened. The results may include a loss of business contracts to competitors, a decrease in sales, and damage to staff morale.

Bearing in mind the increase in employee poaching activities and industrial espionage, it is crucial for companies to implement legal measures to prevent employees from taking up competitive activity.

## Non-poaching agreements

These type of agreements are different from the non-competition, non-solicitation and confidentiality agreements that are commonly entered into between employers and individual employees.

Non-poaching agreements apply to all employees and are

entered into between employers (rather than an employer and an employee) as a part of a framework agreement between them or a service agreement for a specific project. They are motivated solely by the employer's desire not to lose highly trained employees (as opposed to the protection of intellectual property, customer good will or trade secrets). It is important to remember that in order to be enforceable, such agreements should be limited to activities consisting in convincing employees to terminate their current employment or to be disloyal to their current employer.

Agreements and contractual clauses that prohibit an employee from joining another employer may be deemed ineffective as they breach the constitutional rule that every person has the freedom to choose his/her place of work.

## Non-competition agreement

Post-employment non-compete agreements are signed with employees who have access to "particularly important information" and their purpose is to ensure that, after the termination of employment, the employee will not undertake activity that is in competition with his/her former employer, within a specified scope, period of time, and geographical area. As the Polish Labor Code does not define the term "particularly important information", it is up to the employer to make an individual decision as to what constitutes such information in its organization and whether the employee concerned is privy to it.

In order to be enforceable, the extent of a restriction should not be too general and should be no wider than necessary to protect the former employer's legitimate business interests. It should also be relative to the former em-

ployee's position in the business. The employer must also pay the former employee compensation for the duration of the agreement. The compensation cannot be lower than 25% of the remuneration received by the employee prior to the termination of the employment relationship for a period corresponding to the duration of the restriction.

## Additional safeguards

We have discussed the basic requirements for creating an enforceable non-poaching and non-competition agreement. If they are to be used, it may also be worth considering implementing some additional measures that further define the employment relationship and protect the business. For example, a non-disclosure agreement can contractually oblige an employee to keep a company's confidential information secret.

Likewise, a non-solicitation agreement may provide additional protection by preventing a former employee from soliciting business from his/her former employer's clients for a period of time following the termination of employment.

## Soft tools

Apart from the legal tools available, there are also many other "soft" ways of retaining employees and making them less likely to leave for a competitor - for example, appropriate engagement of key employees, flexible working hours, appropriate work-life balance, clear career path, retention bonuses, etc.

Summing up, there are many ways to protect a business against poaching and disloyal employees, and using an effective combination of a number of them should minimize the risk of a company losing its key assets, i.e. talented employees.

By Piotr Falarz, Senior Associate, and Michał Synowiec, Counsel, DLA Piper





# Company profile

Cresa Poland

## Changing the game

Photo courtesy of Cresa



*American Investor's*  
Tom Ćwiok talks with  
**Piotr Kaszyński**,  
Managing Partner at  
**Cresa Poland**,  
about the evolution of  
commercial real estate  
in Poland and CEE  
and how the company  
plans to impact it

### What is the history of Cresa in Poland?

We are a part of Cresa, the world's largest occupier-only commercial real estate firm, which has been present on the market for the last 25 years. US-based, Cresa is a well-recognized and respected brand, and a leading tenant representation agency. The company is quickly expanding in Europe, with offices in London, Paris, Frankfurt, Belgium, the Netherlands, Hungary and Spain.

Cresa Poland was founded in May 2017 and started its operations in September. We already have a 47-strong team of top-notch specialists and aim to have a total of about 60 on board soon. We now have seven fully operational departments in place. They are office, industrial & warehouse, retail, capital markets, valuation, research and advisory, and design and project management. They work closely with firms and investors to meet their business objectives on the Polish market. Cresa Poland is headquartered in Warsaw, with its regional offices in Wrocław, Tricity and Łódź. Owing to its strategic location in Warsaw, Cresa Poland is set to become a driving force for Cresa's expansion across the CEE region.

We do not have a property management department. From our perspective, it would be susceptible to conflicts of interest between landlords and tenants, and our top priority is to avoid such a conflict of interest. It is difficult to represent a tenant and at the same time advise a landlord on

how to preserve or increase a property's value.

### Why have you decided to set-up the company?

I spent 20 years at Cushman & Wakefield as equity partner responsible for the retail and then capital markets teams. As Cresa intended to expand into the CEE market building its platform around top professionals, and I was ready for new challenges, I decided to rise to the occasion and launch and develop Cresa's business in Poland.

What you need to succeed is to have creative passion, competitive drive, a unique team, and a well-thought out and original business concept. Our approach is based on bringing together a highly motivated and close-knit team of leading real-estate professionals.

My goal is to become the leading partner for occupiers in all Polish commercial real estate sectors and deliver top-quality services. Our business motto is "We don't have to be the biggest, but we need to be the most respected".

### What can you tell me about the services that Cresa provides in Poland?

We offer unbiased, independent commercial real estate advice. Our integrated services include conflict-free office, industrial and retail tenant representation, capital markets, market research and advisory, valuation and design and project management.

In addition, we have broadened our offer with workplace strategic advisory, Smart M<sup>2</sup>, which is part of Cresa Poland. Smart M<sup>2</sup> provides business solutions on every aspect of the workplace strategy, from workplace culture and communication analysis, through office space audit to change management.

We want to advise office tenants in core areas such as office quality, the structure of service charges, financial conditions, as well as ergonomics, fit-outs, expansion options and using space in line with the latest trends and highest standards.

We are ready to conduct the whole process, from designing an office right through to construction work and the hand-over of keys to the new office. We advise our clients to create spaces that contribute to innovation.

Our goal is to become the leading agency and the first choice for retailers. Our retail team is the ideal partner for firms seeking to enter or expand their retail presence on the Polish market or downsize business operations. Considering the fact that approximately 30 new brands representing various sectors debut on the Polish market every year, there is an urgent need to provide expert advice on how to run the process successfully.

We also advise industrial clients on build-to-suit, and build-to-own projects, providing full technical support and supervision throughout all stages of project execution and the construction process.



**How does Cresa differ from its competitors when it comes to the services it offers?**

We bring a new and differentiated concept to the competitive real estate advisory arena in Poland with a focus on representing occupiers. We run our business with no risk of conflicts of interest. We are not representing any developers in either space commercialization or property management. We have the advantage of advising tenants on choosing a building that would be optimal from their perspective and not the landlord's perspective. Our competitors in Poland have a large property management departments consisting of 100-200 people who manage approximately 6.5 million square meters of commercial space.

I'm happy to say that I have built a team of people who share Cresa's corporate culture and vision of its operation and growth. We believe that we have quite a strong advantage over our competitors that we look forward to competing with.

**What is driving the commercial real estate market in Poland?**

Poland's commercial market is buoyed by the country's strong economic growth and

infrastructure development combined with a large population of almost 40 million, and a strategic location in Europe. The real estate in Poland is being transformed by a social and technological change. Disruptive technologies, changing patterns of how we live and work, the rise of co-working, all this triggers a new mixed-use approach to urban development. In response to occupiers' demand for more sustainable and efficient work environments with a focus on employees' health and wellbeing, investors and developers have to work together to satisfy these next generation's needs.

There are also significant changes in the industrial sector in Poland and CEE region. The market is in a phase of significant growth and expansion with record breaking levels of occupier demand, new stock being added and projects under construction. Manufacturers, retailers, logistics operators and the growing prevalence of e-commerce is adding further depth and sophistication to the market, which we expect to continue for the next several years. As modern industrial property is becoming increasingly technologically advanced, tenants look to build bespoke facilities demanding detailed knowledge on all aspects of the project.

**What are Cresa's plans for this year and beyond?**

Large-scale businesses are always in search of new markets. When considering expansion options in Central and Eastern Europe, they are also likely to target Poland. Most foreign companies entering the Polish market therefore will seek the support of commercial law specialists, tax consultants and real estate advisors.

Cresa intends to open offices in most CEE countries. We are also talking to potential partners from Italy, and considering Scandinavia. As for our region, Cresa is eyeing the Czech Republic, Romania, Bulgaria and Slovakia. With successful operations underway in Poland we will soon be able to make further plans for other countries.

We are definitely on the right track. Within the last 10 months we have opened four offices in Poland and are in the planning process for new ones. We have three objectives: quality, quality, and quality. ●



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# Company profile

Holiday Inn City Center Kraków

## Making life special

Photo courtesy of Yossi Wircer



*American Investor's*  
Tom Ćwiok talks with  
**Yossi Wircer**, General  
Manager of **Holiday  
Inn City Center  
Kraków**, about how the  
hotel is changing to meet  
the challenges on an  
ever-changing market

### **What can you tell me about the history of your hotel?**

The hotel originally opened in 2000 and by 2004 it was in bankruptcy. Its owner put it on the market, and I thought it was a great opportunity to acquire a valuable hotel asset. I formed a company with two prominent investors from Poland, and we bought the hotel in 2004. The hotel was back in business in January 2005, and has been growing ever since.

Three years ago the hotel was enlarged by an additional 87 rooms and the old part of the hotel went through a major overhaul. Now the entire hotel stands with 236 modern rooms including a 100-square-meter presidential suite. The conferencing part of the hotel comprises nine rooms that can cater to groups of up to 700 people.

Our conferencing facilities are the largest, out of all top hotels in the city center. Atop of that, we have three restaurants. One is called the City and it serves breakfasts. It is highly rated by our guests on social sites. Another one is the Lobby, which is about light food, such as salads, sandwiches, pizza and soups. We also have an upscale restaurant, *Impresja*. Last year, there was the Restaurant Week festival in Kraków with 58 restaurants participating in it, and *Impresja* was rated second-best in the food quality category, and the top restaurant in Kraków in the category of overall service experience.

But the hotel building has a much older history than that. Its central part is a 19<sup>th</sup>

Century palace, which used to be owned by a famous Kraków family, the Pereńskis. In that time the palace was one of the centers of the Kraków intellectual life where the city's artistic bohemia would meet to hold art exhibitions, debates, even to read out poems and prose. To invoke this spirit of the building's past we exhibit the works of some of the most renowned Polish painters, such as Tomasz Ciepliński, Jan Kanty-Pawluśkiewicz and Michał Suffczyński. So, the history is still there and the culture of Kraków seeps through the hotel lobby and the corridors.

### **Do you cater to individual clients specifically, or to the conferencing sector as well?**

My hotel caters to both individual tourists and the MICE sector. Approximately 60% of our occupancy are leisure clients, and about 40% are from the business sector, which includes the conferencing sector. We would like to increase the conferencing and business parts because we see that there is still some potential for growth in these areas.

### **Kraków is one of the tourist destinations in Poland which attracts more foreign tourists than domestic. In what way do you find Kraków a specific tourist destination in comparison to others in Poland?**

Kraków is a city with an ancient history but in essence it is a very young place with 180,000 university students, who make it a

vibrant and an exciting place with a lot of activities and events going on. In recent years, the number of restaurants and pubs has grown, and Kraków is the city with the highest density of restaurants and pubs per square kilometer in its downtown. Those restaurants offer any food you want, from Spanish tapas to Japanese sushi, Italian, Argentinean, and, of course, Polish foods. The city attracts a lot of individual tourists. When you are there in the city you can tell why, right away.

Another interesting aspect of the Kraków tourist landscape is that it is the home city of Pope John Paul 2. When the pope was on his death bed the attention of the world media focused on his legacy. A part of it was Kraków, where he had served as bishop. The international exposure that the world media gave Kraków at that time led to a huge inflow of foreign tourists, and it has been steady and strong ever since.

With 12 million visitors coming to Kraków last year the city is doing fine when you look at the leisure segment of the tourist market. However, more needs to be done when it comes to making Kraków a destination for business and conferences. Warsaw is much stronger in the business and conferences sector because it is the capital city and has better airline connections. Kraków is still not there when it comes to accessing main cities in Europe and the world. You have to fly by Warsaw to get to most destinations in the world. When people plan their trips they always look at access destinations. If you are



not in this number you miss out on many opportunities.

But Kraków has the right MICE infrastructure and the potential is there. What the city needs to do it to promote itself in a more essential way. Kraków, with all due respect, is not the only city in the region with a potential for growing the MICE business. There are other cities which are very attractive too, and they are competing very well.

**The hotel industry is changing to answer the needs and expectations of the new generations of travelers. How has this affected Holiday Inn Center Kraków?**

Indeed, the young generation is kicking at the door, and nobody can keep this conservative environment, where everything looks the same, any more.

First, I have to say that we have a very good internet service in our hotel. Nevertheless, we have decided to upgrade it to the highest standards available today. Last year, we signed an agreement with a new telecommunications operator, UPC, that offers a very fast connection of 250 megabytes per second. We are choosing now a new provider of the wi-fi system. It must be in accordance with the highest market standards. The equipment will be provided by Cisco. With this, our guests will be able too use the most modern internet connections that are on the market.

In addition, we are in the process of choosing a TV system provider that will offer a range of services in line with our guests expectations. The new system will let our guests use their mobile devices and transfer their multimedia content from the internet, and use other web-based services the same way they use them at home. For instance, our guests will be able to watch movies on our TV network using their own accounts at Netflix, Youtube, and other service providers. It will be available in every room. So, to put it simply, our goal is to make our guests use the internet and the TV on our system the way they do it at home, and enjoy doing at our hotel what they do at home.

But that's not all. By the end of 2019 we plan to introduce a new lobby. We will refurbish the lobby area to align our hotel with the concept of the open lobby developed by our chain of hotels. The idea is to make the lobby area much friendlier to our guests, so they can play, work, socialize and do other activities in the lobby. If you want to eat, there will be a place to eat. If you want to play, there will be a place to play. If you want a place to work on your computer, there will be such place for you where it is quiet. It is a design issue and a big investment, but by the end of 2019 it will be all in place.

**A significant part of the guest experience is generated not by technology but by the people who work in the hotel. What can you tell us about this aspect of the business?**

We have 125 contracted employees. In the peak season we employ additional personnel depending on demand.

We are facing now an economy which a very low unemployment rate. The hotel industry, as such, finds it difficult to hire good frontline employees. The industry is people-intensive because you can not reduce the number of your hotel employees below a certain level. So, naturally, we see an increase in the payroll to retain the best people.

But when it comes to employees, my experience in Poland is very positive. Polish employees are very well-educated. Many people who work in frontline positions have BA degrees or even master degrees. This is something you don't find in many European countries. And all personnel speak English. Some are fluent in English because they have worked in the UK before, others because they have had good educa-

**Hotels without people are just buildings. It is my passion to transfer my knowledge to the younger generations of hotel industry professionals.**

tion in Poland. There are good schools in Poland which educate people to work in the service industry. Their graduates have the business knowledge of the industry and the skills that are required to be a successful worker in the hotel industry.

So, I would say that the education level in the industry is high. You can see that see that in the positive responses hotel guests give through their feedback, not only in my hotel but other international brands too. The guests have very nice experiences because of the well-educated employees.

**How do you find the right candidates to for new jobs in the hotel?**

We cooperate with a range of schools in Kraków. Their students go through internship programs for a month or two, and some of them later on become our employees. They like what they see and join our staff.

But there are also many examples when people, who began their careers in lower positions, such as housekeeping and so on, rise to high positions in management. It is our corporate policy to give our people professional opportunities to grow. Anybody who has the potential has a chance to grow in our network. I prefer to give new jobs to people who come from our ranks than to outsiders. When there is a new job opening it is first announced to our own people. If we don't find the right candidates, than we advertise it outside of our company.

**I wonder what are your professional personal ambitions as the hotel's GM?**

The motto of my career is to leave behind a culture of excellence in service, and it is practiced day in and day out. Hotels without people are just buildings—brick and mortar. So it is my passion to transfer my knowledge to the younger generations of hotel industry professionals.

According to the TripAdvisor.com rating for 2017, which was based on feedback provided by guests, our hotel was rated as one of the 25 most luxurious hotels in Poland. When you look at another rating, one compiled by all Holiday Inns across Europe based on evaluations submitted by the guests, Holiday Inn City Center Kraków was within the top 10 in Europe.

I hope that what we have done over the years will stay in the hotel. But I'm not leaving Holiday Inn City Center Kraków yet!

However, when it comes to my professional personal ambitions I would like to say that I'm not dealing with Holiday Inn City Center Kraków exclusively. I have a consulting and management company which deliver services to some other hotels in Poland, such as DoubleTree by Hilton in Wrocław, and Autograph Collection by Marriott in Kraków. In addition, my ambition is to grow with my hotel partners in Holiday Inn City Center Kraków. We are also looking to grow into other brands of the IHG chain, such as Indigo, InterContinental, Holiday Inn Express and others, specifically in Kraków, but also, if the opportunity arises, in other places across Poland.



# Company profile

AC by Marriott Wrocław

## Creating a legend

American Investor's Tom Ćwiok talks with **Maciej Knyrek**, General Manager at **AC by Marriott** in Wrocław, about what makes the hotel unique

**What can you tell me about the history of AC by Marriott in Wrocław?**

AC by Marriott Wrocław is a stylish hotel for urban spirits. The building dates back to 1875, when it used to be a headquarters of The Reich Bank. Some elements of the décor have been restored.

This creates a unique mélange of history and modern design. AC by Marriott Wrocław focuses on the essentials. The AC kitchen, the breakfast space, subtly engages all of the senses of our guests at the start to a new day. The AC Lounge with Fuego Restaurant & Bar serves as communal space during the day and smoothly transforms into the hub of social buzz by night. The Winery, in turn, with its selection of world-class wines is located in the former treasury room.

**I wonder in what way is the hotel different from other hotels in the city?**

AC by Marriott Wrocław is a pioneer on a dual path: it is the first Marriott International property in Wrocław and the first property of that brand in Poland.

AC hotels are designed for those creative, well-traveled, entrepreneurial spirits who are constantly on the go and who appreciate the oasis of a well-designed hotel that allows them to focus, be present and connect with others. We know that our guests' daily lives are overflowing with responsibilities, so we want them to be able to draw energy from moments of tranquility in which they can appreciate the beauty even in small detail.

Our 91 guest rooms are designed to provide a unique hotel experience and subtle moments of elegance. Each room is individual and has its own soul reflected in sleek furnishing and hardwood floors. Some of the rooms have terraces with a sitting area offering a view of the city. Multi-functional conference rooms with the latest state-of-the-art equipment and an outdoor patio are perfect for events and meetings.

Also, the Winery can serve as a function venue.

To let our guests unwind and recharge their batteries we suggest a visit to complimentary Fitness Centre complete with a sauna jacuzzi and a swimming pool. The space is available with a touch of the room key.



**AC by Marriott Wrocław is a pioneer on a dual path: it is the first Marriott International property in Wrocław, and the first property of that brand in Poland.**

**The modern hospitality industry is driven by the customer. I wonder what solutions for Millennials the hotel offers...**

AC Hotel Wrocław is defined by thoughtful service and an open mindset. Our guests experience is based on harmony and we have designed our space and service in such a way that it eliminates the friction of travel. The guest room is designed to be an oasis of modern design and a great space for unwinding or working as well as socializing with other guests.

To facilitate frictionless service call pods, wireless service buttons, are provided in the public and meetings spaces which enables our guests to immediately request the attention of our staff.

**What can you tell me about Wrocław and the region of Lower Silesia as a tourist destination in Poland?**

Lower Silesia, with its capital city Wrocław, is one of the fastest developing business regions in Europe. It is also one of the most beautiful places in Europe. It is a perfect place to work, do business and relax. This is what AC by Marriott Wrocław guests are coming for. Here our guest can find many cultural and family attractions. Many of Marriott Key Accounts are present in Wrocław and in the region. We would like to be here for them. We hope that the title of Europe Best Destination in 2018 will trigger business and leisure segment to the city.

**Is there anything that in your opinion could be done to make Wrocław a better tourist destination?**

Definitely, the city would have been even more attractive for the MICE sector had it offered a full-size convention center, such that could host huge congresses, meetings, and world-class artistic and sports events. But for this we still have to wait.

**What are the company's plans for 2018 and beyond?**

In 2018 we plan to strengthen our presence in the city. We would like to become an active competitor on the market and a responsible neighbor for our local community.



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# Company profile

Ronald McDonald House Charities

## Heading for a new chapter

American Investor's Tom Ćwiok talks with **Krzysztof Kłapa**, CEO, Chairman of the Executive Board of Fundacja Ronalda McDonalda (Polish Chapter of **Ronald McDonald House Charities**), about how he plans to make it grow.

**After almost 27 years at McDonald's, you have moved on to the position at the helm of a foundation that does charitable work. How do you feel about it?**

It is an interesting change and I am really excited about it. As a person responsible for McDonald's communication and Public Affairs I was also in charge of its CSR activities from the very beginning, when the Ronald McDonald House Charities was not yet even present in Poland. At that time we did a number of projects for the Oncology at Pediatric Hospital in Litewska street in Warsaw. We saw how much needed to be done to help families attending their children in hospitals. I was one of the people who were behind the establishing of the RMHC in Poland. So perhaps this continuous involvement in CSR at McDonalds made it easier for me to accept the role of the foundation's chairman.

**What are the core programs that the foundation executes in Poland?**

There are three main global programs that are recommended by the RMHC, which is the parent organization for us. In the majority of markets the RMHC runs only one or two programs. In Poland all three programs have already been implemented, which makes Polish Chapter quite unique. The main goal of our organization is to help families with sick children stay together during hospitalization. Medical therapies deliver better results when sick children have the opportunity to have their parents around, and this is why we have different initiatives under one umbrella-program called "Keeping families close".

One of these initiatives is called the Ronald McDonald House. We build and maintain comfortable homes-away-from-home for the parents of hospitalized children so the families could stay together. They are located near of within the premises of key country pediatric hospitals. We are happy to have built, equipped and maintain one such unique facility, in the premises of the Pediatric Hospital of Medical University in Kraków. Putting it simple, it is a free of charge family hotel with 22 apartments. It is modern, fully equipped and comfortable. There are extra services available there 24/7 — warm care by volunteers and professional psychologist advice are available on the spot.



Photo by Wojciech Wojtowicz, courtesy of Ronald McDonald Foundation

**The power of a brand derives from the strength of the people who work for it. My goal is to get the best people possible.**

We are working now to open another such facility, probably in Warsaw.

Another key program associated with our mission is called Ronald McDonald Family Rooms. In this program we offer places to rest for the relatives of children treated in hospitals. The social space consists of a kitchen area equipped with a stove or microwave, dining rooms, rest rooms, bathrooms and showers. If there is

enough space we can also offer laundry and dry storage facilities. Our foundation presently runs Family Rooms at the Children's Memorial Health Institute in Warsaw—Międzylesie, and at the Pediatric Hospital of Warsaw Medical University. Both are major medical centers with a high demand for such supporting services. We are looking for opportunities to expand the Family Rooms project to pediatric hospitals in other parts of Poland.

The third global RMHC program which is present in Poland is Ronald McDonald Care Mobile. It is about providing access to healthcare where children need it most but where, very often, this access is hard to get. In our case, the medical services are provided with a 40-foot-long vehicle which is equipped with two examination rooms, reception and waiting area. The programs offered by RMHC Care Mobile vary across countries. From immunizations, to diagnostic, preventive and restorative dental care, to asthma treatment, to pediatric specialty care such as otolaryngology, or cardiology. As Polish Chapter, we have chosen preventive care in pediatric oncology. The key role in that decision-making process was played by the members of our Advisory Board. The members represent



different areas and include business people, public personalities and representatives of medical community. And again, the voice of medical professionals brought our attention to the problem of preventive care in pediatric oncology. While the medical procedures available in Poland to cancer patients match the standards in other developed countries in Europe, it is in the area of preventive care in oncology where there is still room for improvement, especially when it comes to early diagnosis of cancer in children. So we decided to equip our unique care mobile with two pediatric ultrasound units. We are glad to cooperate with a team of experienced radiologists who travel to different places around the country and perform USG screenings. The aim of the program is to detect neoplastic tissue in children, together with other pathologies of the developmental age in the area of the neck, abdomen, female pelvis, and scrotum in boys.

Local municipalities cooperate with us in this program and the screenings are free of charge. So far, nearly 60,000 children have gone through them. If a problem was detected, our experts gave the parents advice and information what they needed to do next.

Along with those three programs our foundation is active in the area of parents' education. We help parents increase their understanding of the rules of prevention, including what they need to do to help their children when they are diagnosed with an illness.

**But the Polish Chapter also runs two local programs that are not parts of the globally developed initiatives...**

Indeed. We have been so much focused on fighting cancer in children that we decided to create a program that goes beyond

the RMHC global basic recommendations. In cooperation with one of the leading medical specialists in Poland, we opened a training program for GPs. It is a workshop, led by the top pediatric oncologists and psychologists, dedicated to early diagnosis of cancer. The training team travel to different locations all over Poland, meet with GPs and offer priceless education. For the GPs it is a great opportunity to learn and meet experts, whom they can contact later on if they need to seek additional advice in particular cases. The program is financed in full by our foundation. So far, more than 2,500 GPs went through it and the program has a great potential to expand.

Another project introduced in Poland focuses on the financing of comfortable folding beds for parents of children staying in hospitals. Thanks to these beds the parents can spend the night sleeping by the bed of their sick children. For daytime the beds are transformed into armchairs. We finance the cost of the folding beds as well as the cost of the bedding, its laundry and storage. We have already introduced this project in a few clinical pediatric hospitals in Poland.

**How do you finance all those programs?**

As an NGO, we can function and run our programs exclusively thanks to the generosity of our donors. We raise money in different ways, for example public collections, charity events as well as private and corporate financial and in-kind donations.

We invite our partners and friends of our foundation to support our causes. We invite business people, artists, public personalities and community leaders. We also get the support from different companies. Often, they are not our regular supporters

but happen to work with us regularly on particular projects. For instance, the construction of the Ronald McDonald House in Kraków was possible thanks to a great contribution from the construction companies, equipment producers and various services providers. Some 30 percent of the total construction cost was covered by in-kind donations such as building materials, furniture and different pieces of equipment. We highly value every kind of support and donation, both from big companies—market leaders, and individuals who are willing to donate even small amounts of money.

**Do you have a personal ambition as the head of the foundation?**

I have a clear plan of what I would like to achieve being at the helm of the foundation. After 27 years of working in a corporation I fully appreciate the role of well set and executed strategy. I understand the role of modern technology, successful marketing and communication. My ambition is to strengthen the RMHC Poland position both in Poland and among other chapters affiliated to the Ronald McDonald House Charities global network so the foundation invests in its brands further, builds trust and develops its community of friends and supporters.

The power of a brand derives from the strength of the people who work for it. My goal is to get the best people possible. Those who contribute to the foundation as members of our Advisory Board, work on the executive team, give great support as volunteers as well as medical experts—a great team who will give their hearts to making our motto "Keeping families close" come true each and every day. ●



The construction of the Ronald McDonald House in Kraków was possible thanks to construction companies, equipment producers and various services providers who donated building materials, equipment and services for free.



# An obstacle course ahead

## New rules for filing and signing Annual Financial Statements

From 15 March 2018, financial statements, reports on activities, resolutions approving the aforementioned and auditor's reports should no longer be filed with the National Court Register in a paper form, but instead should be filed with the Repository of Financial Documents via the repository's website ([ekrs.ms.gov.pl/rdf/rd/](http://ekrs.ms.gov.pl/rdf/rd/)), which is available in Polish only.

The filing needs to be made with the use of a qualified electronic signature or ePUAP trusted profile, by the management board members or managing partners whose PESEL number is disclosed in the National Court Register. Filing to the Repository of Financial Documents can not be made by a proxy. Moreover, the registry courts have already started their information campaign aimed at companies, in which they convey the message that filing the above mentioned documents on paper is not effective anymore.

### PESEL required

Foreigners who are members of management boards, and who are managing partners, will be able to fulfil this new requirement only after they obtain a PESEL number and have it registered in the National Court Register in advance.

In case of lack of a PESEL number there is an alternative filing option via [ekrs.ms.gov.pl/s24/](http://ekrs.ms.gov.pl/s24/), but because it is in Polish only, foreigners should consider engaging a Polish lawyer to assist them with the filing.

This alternative filing is subject to court fees, since it is reviewed by the registry court, unlike the filing to the Repository of Financial Documents which results in automated registration.

The upside is that entities

**Financial statements and consolidated financial statements, will need to be prepared in electronic form and signed with a qualified electronic signature or ePUAP trusted profile.**

registered with the National Court Register are no longer required to make a separate filing of financial statements to the tax office.

### Electronic Signing of Financial Statements

From 1 October 2018, financial statements, and consolidated financial statements, will need to be prepared in electronic form and signed by all management board members, or managing partners, and the person responsible for the accounting books. The signing must be made with the use of a qualified electronic signature or ePUAP trusted profile. The same will apply to the report on activity, which needs to be signed by all management board members, or managing partners.

The required format and structure of the financial statement will be announced in the Public Information Bulletin (Biuletyn Informacji Publicznej). The Public Information Bulletin may also define the required format and structure of financial statements, but not consolidated financial statements, prepared according to IFRS rules.

In addition, the auditor's report will be required to be prepared in electronic form and should be signed with the auditor's qualified electronic signature.

By Magdalena Jarosz,  
Senior Associate,  
Marcin Wnukowski,  
Partner,  
Squire Patton Boggs



### What do you need to do?

The management board members, or managing partners, and the person responsible for the accounting books should obtain a qualified electronic signature or ePUAP trusted profile, in order to be able to sign the documents. Qualified electronic signatures may be the only option in case of individuals who do not have a PESEL number as, currently, ePUAP trusted profile is not available to them.

Foreigners may struggle to fulfil the new filing requirements, unless they already have a PESEL number, thus, obtaining a PESEL number and disclosing it in the National Court Register may be considered. Al-

ternatively, if possible, the management board and managing partners or managing partner's management board, should consist of individuals who have a PESEL number disclosed in the National Court Register so that they will be able to file the documents as described above. It is understandable, however, that obtaining a PESEL number or appointing a holder of PESEL number to the management board solely due to the new filing requirements may not be acceptable to the entities and individuals concerned.

## Before you read this article...

**ePUAP Trusted Profile** is a set of data that identifies an individual for whom an account is opened on the public administration services platform, called ePUAP. This trusted profile can be used to authenticate an electronic signature, which, in cases prescribed by law, is accepted by administrative authorities instead of a qualified electronic signature – for example, when signing and filing the financial statements.

**PESEL** is an identification number in the Polish Universal Electronic System for Registration of the Population (*Powszechny Elektroniczny System Ewidencji Ludności*). Mostly, Polish nationals are registered in the system, but foreigners may obtain a PESEL number if they are able to provide a legal basis for needing a PESEL number.

Currently, a PESEL number is required for the ePUAP trusted profile. The ePUAP platform is available only in Polish, which limits its usability for those who do not have a good command of Polish.

**Qualified Electronic Signature** is an advanced electronic signature that is created by a qualified electronic signature creation device, and which is based on a qualified certificate for electronic signatures. The certificate can be purchased from commercial providers. When signing, .XAdES should be the output format, as this is the required format for filing of the documents.



# Think out of the box!

By **Maciej Chlewicki**,  
Manager, and  
**Adrian Salabura**,  
Consultant, Grants &  
Incentives Team at  
KPMG in Poland



A new mechanism, "innovation box" may come into force this year

**T**he Ministry of Entrepreneurship and Technology has recently revealed that it works on a new tax incentive for companies generating revenue on the commercialisation of R&D.

The incentive, known globally as the patent box, is a long-anticipated addition to the Polish scheme that reinforces the innovative edge of enterprises, which now consists of a R&D tax credit that enables enterprises to apply for support exclusively during the development stage of new solutions. The R&D tax credit allows for mitigating the impact of risks related to uncertainty, which often prevents companies from launching R&D projects. The new measure will become a perfect addition to the R&D tax credit as it provides incentives for commercialisation phase of developed processes, products and services.

## What's inside the box?

The suggested name for the Polish incentive is Innovation Box. Such incentives introduce preferential tax rates for companies who developed R&D solutions and solutions protected by intellectual property rights. Revenue generated on patented or newly developed technology is subject to a lower tax rate, what directly reduces the tax burden and boosts savings for the taxpayer.

The preferential corporate income tax rate will probably stand at 4%.

If new tax incentives are actually introduced pursuant to the terms and conditions announced by the Ministry, they will become one of the most appealing measures of this kind worldwide. Compared to other countries, the proposed preferential rate ranks among the lowest and the tax incentive will not be limited to solutions protected by IP rights. In certain countries it significantly reduces the scope of its application since numerous solutions generated as a result of R&D efforts are not patented by businesses. It should be also stressed that the formal protection of IP rights, including patents or industrial design, is not commonly applied across a number of sectors as a result of the specific profile of product development, specific regulations as well as the form of the finished product. It is thus fair to say that the draft proposed by the ministry introduces solutions which are open to many sectors, and does not artificially reduce the availability of the incentive to only a handful of industries.

## A practical look

The final terms and conditions of Innovation Box have not been

confirmed, but given the proposed preferential rate of 4%, the practical application of the incentive may be illustrated by the following example. If total costs related to the development and implementation of a new solution totaled PLN 10 million, including PLN 5 million in R&D costs, the preferential rate will be applicable to 50% of revenue. The company generates PLN 3 million worth of annual revenue (profit before tax) on sales of the new solution, which means that the preferential rate will apply to PLN 1.5 million of annual revenue. Over the span of 3 years, a company which applies the 19% corporate tax rate will save PLN 675,000.

## Don't forget the tax credit

It is also possible that Innovation Box will be closely tied to the R&D tax credit. In order to benefit from the incentive in relation to solutions designed as a result of R&D projects, it may also be essential to identify such costs to claim the already introduced R&D tax credit. This means that entrepreneurs should adequately allocate R&D expenditure with the tax credit in mind to be ready to benefit from the Innovation Box incentive. It should be noted that the current statutory definition of R&D is broad and not limited exclusively to specialized compa-

nies. Businesses developing their original products or production processes should also consider whether their activities meet all R&D requirements.

## The necessary red tape

Similarly to the R&D tax credit, to benefit from the incentive firms will have to introduce relevant principles to their accounting and tax records to extract R&D costs and make them eligible for the tax credit. Most probably, the preferential corporate income tax rate will be applied to a portion of revenue, pro rata to the cost of developing solutions that actually account for R&D. According to tax authorities interpretations, it is crucial to keep proper records that allow for a clear verification if allocated costs are actually relevant to R&D. Meanwhile, businesses often struggle with correct identification of such expenditures as not all costs related to the scope of R&D assignments are eligible for the tax credit. We should also keep in mind that a complete inventory of R&D projects enables entrepreneurs to best defend their interpretation of regulations if needed.

**4<sup>th</sup> The one-and-only  
of July AmCham  
Picnic  
2018**



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# Events

AmCham in Gdańsk

## Good vibrations

The management of human potential across organizations and how may turn it into stimulating the rise of positive energy across the board was on the agenda of the Business Breakfast held by AmCham Gdańsk in March. The speakers were Małgorzata

Czarnecka, President of Human Power; Magdalena Warzybok, Talent Practice Director at Aon Hewitt, and Maria Lorenc, HR Manager at Kinnarps. The venue was the Nadmorski Hotel in Gdynia.



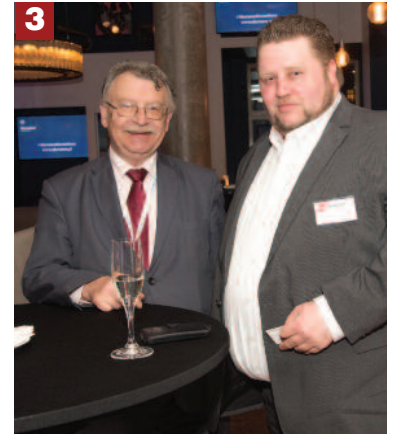
1. Joanna Bojarska-Buchcic, AmCham Gdańsk Director (HR Solutions Group); Anna Flis, Training Designers. 2. The meeting in progress. 3. Joanna Bojarska-Buchcic; Marek Nowak, Staples Solutions. 4. Małgorzata Gwozdz, Olivia Business Centre; Joanna Bojarska-Buchcic; Anna Flis. 5. Joanna Staniszevska Effenex Advisory, Danuta Raclawka Między Słowami. 6. Anna Gast, mBank; Joanna Bojarska-Buchcic; Aneta Pernak-Matus, Pika. 7. Maria Lorenc, Kinnarps; Małgorzata Czarnecka, Human Power; Magdalena Warzybok, Aon Hewitt; Joanna Bojarska-Buchcic.



# A lucky day

In March, AmCham and the Sheraton Warsaw Hotel joined forces to hold the Spring Business Mixer. The event attracted many AmCham members and friends who enjoyed informal atmosphere, which was reinforced by splendid foods and drinks. Those participants for

whom the event happened to take place on their lucky day took home raffle prizes, sponsored by Apothic Wines, Dark Horse, and Oriflame Sweden. The venue was SomePlace Else Restaurant & Bar.



1. Dorota Dąbrowska-Winterscheid, AmCham Managing Director; Fadlallah Zayat, General Manager, Sheraton Warsaw Hotel.
2. One of the lucky raffle winners that evening Aleksandra Dróżdż from Squire Patton Boggs, Święcicki Krześniak; with Anita Kowalska, AmCham.
3. Jerzy Kleniewski; Christian Braunschweig, AGS Warsaw.
4. Tanya Podgoretska, Hilton Warsaw Hotel & Convention Centre; Karolina Pawluczuk, Mariusz Paszkiel, Warsaw Marriott Hotel; Anna Czajkowska, Katerina Tomina, Sheraton Warsaw Hotel.
5. Michał Szwarc, Techsoup Foundation; Maciej Karbownik, Herman Miller Limited.
6. Roman Rewald, AmCham Board Member; Dorota Dąbrowska-Winterscheid.
7. Aneta Mandziuk; Izabela Torebko, CBRE.
8. Tony Clairey; Nathaniel Espino.
9. Marian Wiktorski, E&J Gallo; Joanna Klonowska; Maciej Klonowski, E&J Gallo.



# Events

AmCham in Gdańsk

## Managing diversity

“Leadership in turbulent times” was the theme of the Breakfast Meeting held by AmCham Gdańsk in February. The speakers were Dr John Scherer, Founder and President of SLC, and Agata Cielarska-Fijałkowska, an independent HR consultant. They provided practical

“must-have” knowledge on the effective leadership of multigenerational and multicultural teams in the digital era. Their presentation took the form of a workshop. The venue was the Olivia Sky Club at the Ollivia Business Center.



1. Jarosław Zdzitowiecki, Nuvalu Polska; Jake Jephcott, SEKA; Joanna Bojarska-Buchcic, AmCham Gdańsk Director (HR Solutions Group); John Scherer, Scherer Leadership Center. 2. Kinga Lowińska-Neumann, SEKA. 3. Anna Cielarska-Fijałkowska, Accent Business Training. 4. John Scherer. 5. Kinga Lowińska-Neumann; Mariusz Mielczarek, Amazon. 6. Michał Rzepczyk, Jeppesen; Katarzyna Ciszewska, Daria Zagożdżon, Cushman & Wakefield. 7. Marcin Gregory, Invest in Pomerania; Krzysztof Janusz, Experis Poland; John Scherer. 8. Anna Cielarska-Fijałkowska; Joanna Bojarska-Buchcic; Robert Jaworowski, Trioko Systems.



# Time for fun

AmCham Poland, the Irish-Polish Chamber of Commerce and Vistra, a corporate services company, joined forces in March to hold a St. Patrick's Day Get Together party at the Lubicz Brewery and Restaurant in Kraków.

The event drew the crowds to the recently restored brewery building, which is slowly but surely becoming one of the Kraków landmarks for partygoers.



1. Dorota Dąbrowska-Winterscheid, AmCham Managing Director. 2. Kenny Morgan, Treasurer of the Irish Chamber of Commerce in Poland (Vistra). 3. Gerard Keown, Irish Ambassador to Poland. 4. Magdalena Różycka, Katarzyna Siemiątkowska, Róża Woźniak, Vistra; Izabela Ustyemenko-Łukasik, Konieczny Wierzbicki Law Firm. 5. Dorota Adamska, BP; Dorota Dąbrowska-Winterscheid; Witold Kasiński, AGS. 6. Przemek Boryczka, KPMG; Derek Coyle, Brown Brothers Harriman; Kathryn Porter, Kent Mullen, US Consulate General in Kraków; Kosta Matveev, Uber. 7. Iwona Matyska, Ewa Pieniążek, Vistra; Anna Charuba, AmCham; Monika Kołaś, Marta Klineciewicz, Vistra.



# Events

AmCham in Gdańsk

## Safe and sound

In January, AmCham Gdańsk held a breakfast meeting devoted to cyber security and the new regulations governing general data protection. The speakers were Małgorzata Brańska, data security expert from Crowe Horwath, who talked about how the new data protection regulations are changing the playing field for business; Piotr Kaźmierczak, security expert also from

Crowe Horwath, who presented issues governing the perspective of employees on data protection; and Jacek Samujło, Chief Security Officer at LH Systems, who talked about issues governing the implementation of ISO/IEC 27001 standards in security management. The venue was the Alchemia office complex, in Gdańsk.



1. Grzegorz Górecki, GE Capital; Anna Flis, Training Designers; Adam Capała GE Capital; Joanna Bojarska-Buchcic, AmCham Gdańsk Director (HR Solutions Group). 2. Piotr Kaźmierczak, Crowe Horwath; Iwona Grochowska, Aleksander Mann Solutions; Alina Gronek, HR Solutions Group; Marcin Kabaciński, Crowe Horwath. 3. Aleksandra Podwysocka, Crist; Dagmara Łuczka, Projektownia Wizerunku; Anna Jankowiak, GrywiT. 4. Jowita Spychalska Training Designers; Joanna Bojarska-Buchcic; Anna Flis. 5. Piotr Kaźmierczak, Crowe Horwath. 6. Agnieszka Okońska, Iwona Urbańska, Deloitte. 7. Jacek Samujło, Lufthansa Systems. 8. Małgorzata Brańska, Crowe Horwath.



# Securing transparency

In January, AmCham Kraków & Katowice held its first Breakfast Meeting with Piotr Falarz, Senior Associate and Advocate at DLA Piper, and Magdalena Konarska, Associate, also from DLA Piper. On the agenda were issues surrounding the Act on Transparency in Public Life, and the internal anti-corruption

procedures that organizations are obliged to follow owing to the act. A separate part of the presentation was devoted to the main changes to the new Personal Data Protection Act, and how they will affect companies. The venue was the Holiday Inn City Center Kraków.



1. Magdalena Konarska, DLA Piper Wiater; Alicja Kowalska, Radosław Szmit, JCommerce; Jacek Drabik, AmCham Kraków & Katowice Director (Motorola Solutions); Anna Charuba, AmCham; Piotr Falarz, DLA Piper Wiater. 2. Magdalena Żak-Cesarz, Grzegorz Ziębiński, Holiday Inn City Center; Anna Charuba. 3. Jan Małolepszy, Jarosław Maślanka, Pegasystems Software; Piotr Falarz. 4. Łukasz Piskor, Holiday Inn City Center; Jacek Legendziewicz, Jordan Group. 5. Magdalena Konarska. 6. Piotr Falarz. 7. Jacek Drabik. 8. Kathryn Porter, US Consulate General Kraków.



# Events

AmCham in Warsaw

## Talking science

**P**iotr Dardziński, Deputy Minister of Science and Higher Education, was the speaker at the AmCham Monthly Meeting in March. The issues he talked about ranged from R&D support for Polish-based

firms to the current government efforts to introduce new, pro-business elements into the curricula of technology doctoral students. The venue was the Marriott Hotel Warsaw.



1. The meeting in progress. 2. Piotr Dardziński, Minister of Science and Higher Education. 3. Rick Lada, AmCham Board Secretary; Dorota Dąbrowska-Winterscheid, AmCham Managing Director. 4. Marta Kokoszka, Google; Paweł Tynel, E&Y. 5. Jacek Drabik AmCham Kraków & Katowice Director (Motorola Solutions); Piotr Dardziński. 6. Jacek Graliński, Amgen. 7. Marzena Drela, AmCham; Mariusz Paszkiel, Warsaw Marriott Hotel; Anita Kowalska, AmCham. 8. Piotr Dardziński; Mariusz Wawer, 3M. 9. Dorota Serafin; Sylwia Piekarska, BD.



# Molding young talent

In March, AmCham launched the fourth edition of its 30 Under 30 Program, which is a leadership forum for 30 promising professionals under the age of 30, working in AmCham member companies. This program involves a series of monthly afternoon meetings with

prominent guests to discuss business trends, leadership values, and networking with the aim of professional development as future business leaders in AmCham member companies.



1. The participants of the fourth edition of the AmCham 30 Under 30 Program with the speakers Dorota Dąbrowska-Winterscheid, AmCham Managing Director; Dorota Serafin, AmCham; Aleksandra Krzesińska, Pegasystems Software, and John L. Armstrong, Economic Counselor, U.S. Embassy Warsaw. 2. John L. Armstrong. 3. Dorota Dąbrowska-Winterscheid. 4. Dorota Serafin. 5. The first meeting in progress.



# Events

AmCham in Wrocław

## In search of investors' safe havens

The March Business Breakfast, held by AmCham Wrocław and organized in partnership with EY, focused on the new regulations governing Poland's havens for investors, the Special Economic Zones. Under discussion were evaluation criteria for prospective investors to be included into a SEZ and the

opportunities that such inclusion brings for investors. The speakers representing EY were Teresa Korycińska, Senior Advisor; Mr Paweł Tynel, Partner; Leszek Patrzek, Associate Partner, and Anna Pławiak, Manager. The venue was the AC by Marriott Wrocław.



1. Anna Pławiak, EY. 2. Paweł Tynel, EY. 3. Małgorzata Włochal, WSSE „Invest-Park”. 4. Leszek Patrzek, EY. 5. Monika Ciesielska-Mróż, AmCham Wrocław (PM Group); Agata Czechowska, Municipality of Nysa. 6. Leszek Patrzek; Wocich Kantarski, BZ WBK. 7. Marcin Łukoszko, Cresa Poland; Paolo Bortolotto, XYLEM; Dariusz Kiełtyka, FLUOR. 8. Leszek Patrzek; Monika Ciesielska-Mróż; Paweł Tynel; Anna Pławiak; Teresa Korycińska, EY; Małgorzata Włochal. 9. Karolina Grzyb, ARAW; Matthias Herd, Double-Tree by Hilton Wrocław; Paweł Tynel; Dariusz Kiełtyka; Martyna Grała, C.H. Robinson.





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# Events

AmCham in Warsaw

## In the mood

**A**mCham and Leonardo Royal Hotel Warsaw joined forces to hold the Carnival Business Mixer, an event attended by many AmCham members and friends who came to enjoy a splendid Carnival atmosphere. While all savored great foods and drinks, the

lucky ones who took part in the raffle took home attractive prizes and vouchers. The supporting sponsors were Apothic, Dark Horse, AGS and Forever Living Products Polska.



1. A professional dance show performed by dancers from Arthur Murray Warsaw Dance School. 2. Alison Dilworth, US Embassy; Dorota Dąbrowska-Winterscheid; AmCham Managing Director; Beata Pawłowska, Oriflame; Katarzyna Jagiello. 3. Joseph Wancer, AmCham Board Member (BGŻ BNP Paribas); Richard Engel; Nathaniel Espino. 4. Paulina Kołodziejczyk, Leonardo Royal Hotel Warsaw; Marzena Dreła, AmCham; Marcin Sadło, Leonardo Royal Hotel Warsaw; Anita Kowalska, AmCham. 5. Barbara Grabowska, US Commercial Service; Anita Kowalska; Roman Rewald, AmCham Board Member; Lucyna Jaremczuk, Ministry of Entrepreneurship & Technology. 6. Marek Matraszek, CEC Government Relations; Dorota Dąbrowska-Winterscheid; Marek Szydłowski, TVN. 7. Zygmunt Łopalewski, Whirlpool Polska; Marzena Dreła.



# Hands across the ocean

**T**he Monthly Meeting in February focused on US-Poland bilateral relations, with Marek Magierowski, Deputy Minister of Foreign Affairs, talking about the significance of the US Secretary of State Rex Tillerson visit to Warsaw. Other issues on the

agenda included the progress in promoting Poland in the US and the expectations coming out of economic and business relations with the US. The venue was the Marriott Warsaw Hotel.



1. Tony Housh, AmCham Chairman (Northrop Grumman); Marek Magierowski, Deputy Minister of Foreign Affairs. 2. Anna Perl, Ministry of Foreign Affairs; Tony Housh; Dorota Dąbrowska-Winterscheid, AmCham Managing Director. 3. Marten Schenrock, InterContinental Warsaw; Robert Grader, Warsaw Marriott Hotel; Fadlallah Zayat, Sheraton Warsaw Hotel; Frank Wagner, Deutsche Lufthansa. 4. Łukasz Kowalski, MSL Group; Judith Gliniecki; Marek Szydłowski, TVN. 5. Magda Pavlak-Chiaradia, AmCham Board Member (ERM Polska); Dorota Dąbrowska-Winterscheid. 6. Mariusz Paszkiel, Warsaw Marriott Hotel; Dorota Dąbrowska-Winterscheid; Fadlallah Zayat.



# Events

AmCham in Warsaw

## As sure as taxes

In March, under the patronage of the Ministry of Finance and in cooperation with AmCham Hungary and AmCham Slovakia, AmCham hosted the 13<sup>th</sup> Regional Tax Conference. On the agenda were, among other pivotal taxations in the region, the digital future of taxes in Central & Eastern Europe and the opportunities and risks brought by blockchain technology.







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1. Paweł Gruza, Deputy Minister of Finance; Eelco van der Enden, PwC Netherlands; Zhanna Klyukanova, International Paper; Marcin Sidelnik, PwC Poland; Mikołaj Woźniak, PwC Poland; Piotr Pikula, Procter & Gamble. 2. Paweł Gruza. 3. Eelco van der Enden. 4. Tony Housh, AmCham Chairman. 5. Tomasz Barańczyk, PwC Poland. 6. Zhanna Klyukanova; Piotr Pikula; Mikołaj Woźniak; Eelco van der Enden. 7. Piotr Pikula; Michał Penkala, Procter & Gamble. 8. Paweł Gruza; Dorota Dąbrowska-Winterscheid, AmCham Managing Director; Tony Housh. 9. Zhanna Klyukanova. 10. Marcin Sidelnik. 11. Mikołaj Woźniak. 12. Paweł Bystrzejewski. 13. Marcin Węgrzyński; Wojciech Węgrzyński, Trenda Group. 14. Tomasz Barańczyk; Adam Soska; Paweł Gruza; Mikołaj Woźniak. 15. Marcin Sidelnik; Eelco van der Enden; Tomasz Barańczyk. 16. Marcin Sidelnik, Eelco van der Enden; Dorota Dąbrowska-Winterscheid.



# Events

## AmCham in Kraków & Katowice

### The devil in the details

**A**mCham Kraków & Katowice held its April Breakfast Meeting to discuss the legal and financial implications of intellectual property transfers in light of new regulations, as well as the challenges facing employers introducing Employee Capital Plans. The speak-

ers were experts from Deloitte Polska: Agnieszka Oleszczuk-Sowa, Managing Associate and Attorney at Law, and Karol Ciszak, Attorney at Law; and Łukasz Kuczkowski, Legal Advisor, Partner at Raczkowski Paruch. The venue was the Kraków Hilton Garden Inn.



1. Jacek Drabik, AmCham Kraków & Katowice Director (Motorola Solutions). 2. Karol Ciszak, Agnieszka Oleszczuk-Sowa, Deloitte. 3. The meeting in progress. 4. Walter Braunohler, US Consul in Kraków. 5. Monika Lux-Huserik, Motorola Solutions; Jacek Drabik, Wojciech Bergier, Dominika Dörre-Kolasa, Raczkowski Paruch; Philippe De Brouwer, Honorary Consul of Belgium. 6. Lidia Wolsza, Sheraton; Anna Charuba, AmCham; Anna Zemla, GE Healthcare; Marcin Włodarkiewicz, Sheraton. 7. Łukasz Kuczkowski, Raczkowski Paruch.



# Management and ergonomics

In April, AmCham in Kraków & Katowice and British Polish Chamber of Commerce held Spring Business Mixer partnered by law firm Wardyński & Partners. The focus was on proper ways in which employers should manage their employees. The speakers were Jacek Drabik,

AmCham Kraków & Katowice Director (Motorola Solutions); Micheal Dembiński, Paweł Siwiecki, BPCC; Kathryn Porter US Consulate General in Kraków; Magdalena Świtajska and Paweł Mazur, Wardyński & Partners. The venue was the Holiday Inn City Center Kraków.



1. Magdalena Świtajska, Wardyński & Partners. 2. Michael Dembiński, BPCC. 3. Ewa Stahlberger-Olivier, BP; John Lynch, Lynka. 4. Paweł Mazur, Wardyński & Partners; Anna Charuba, AmCham; Magdalena Świtajska; Jacek Drabik, AmCham Kraków & Katowice Director (Motorola Solutions). 5. Yossi Wircer, Holiday Inn City Center Kraków; Kazimierz Karasiński, UK Honorary Consul. 6. Agata Cielarska-Fijałkowska, John Held, Accent Business Training. 7. Renata Rożek, Universal Express; Dominika Langer-Gniłka, Wiosna Association; Dorota Adamska, BP. 8. Kathryn Porter, US Consulate General Kraków; Urszula Kwaśniewska, Paweł Siwiecki, BPCC.



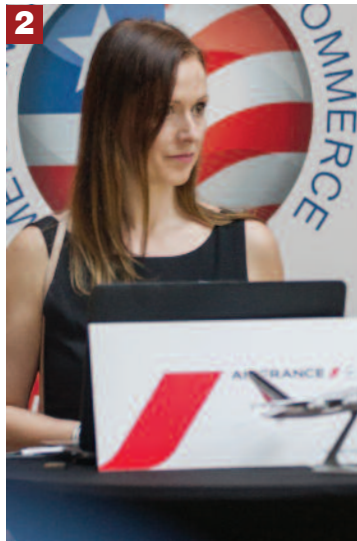
# Events

AmCham in Wrocław



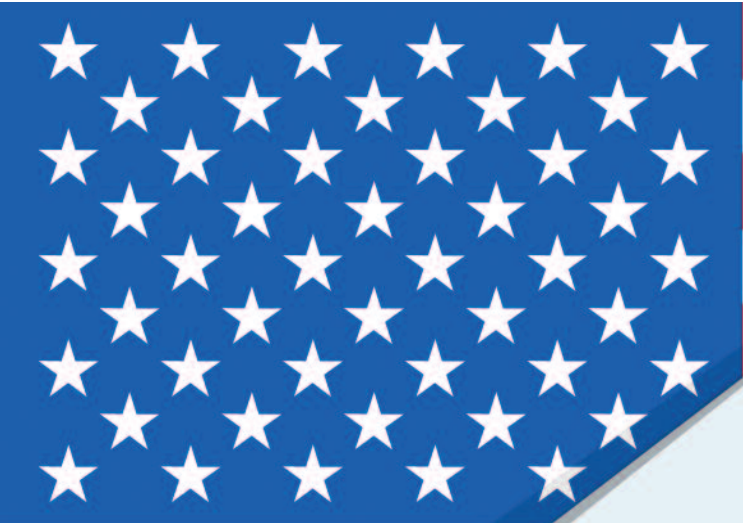
## Fly me to the Moon

The April Business Mixer held by AmCham Wrocław attracted many AmCham members and friends of the chamber. The event was sponsored by Air France, with supporting sponsors AC Hotels Marriott, Namysłów Brewery and Adoria Vineyard. The sponsors of the raffle were Oriflame Sweden and AGS. The venue was the AC by Marriott Wrocław hotel.



1. Dorota Dąbrowska-Winterscheid, AmCham Managing Director. 2. Aleksandra Wiśniewska, Air France. 3. Marcin Gielnik, Air France. 4. Sławomir Kiedos, Mphasis; Kinga Marczak, Adrian Węclawski, Manpower. 5. Ilona Chodorowska, British Polish Chamber of Commerce; Marta Stawińska-Janiec, AC Marriott Wrocław. 6. Aneta Czarnocka, C.H. Robinson; Enrico Ciullo, Bosetti Group. 7. Przemysław Paździorek, 3M; Dorota Dąbrowska-Winterscheid; Monika Ciesielska-Mróż, AmCham Wrocław Director (PM Group); Mariusz Wawer, 3M. 8. Adrian Cieśla, Jacek Dziasek, UPS. 9. Aleksandra Wiśniewska; Joanna Szablewska, HPE.





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