

AmCham.PL QUARTERLY

The official magazine of the American Chamber of Commerce
in Poland



4/2021

VOL IV, No.4 • ISSN 2545-322X

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AmCham Advisory Council



The Advisory Council of the American Chamber of Commerce in Poland is engaged in shaping our advocacy for better investment, creating policies, and working with key policy-makers to address important and highly relevant issues. The crucial role of companies gathered in the Advisory Council is emphasized by the special client care we provide to these premium members and the opportunity they have to cooperate at the highest level, including business to government dialogue, special networking events, as well as priority at our events.

IT'S YOUR AMCHAM



IT'S YOUR DEBATE

"There is an area of mist between the public and private sectors."
 KONRAD ŚLUSARCZYK, HEAD OF GOVERNMENT ENGAGEMENT FOR CEE AT VISA,
 p. 23

"We look for the money to finance the R&D projects we do for our business partners. We may resort not only to financing agencies in Poland but across the European Union as well."
 PIOTR DARDZIŃSKI, PRESIDENT OF THE ŁUKASIEWICZ RESEARCH NETWORK, p. 24

"Poland is a sure candidate to be one of the least complex countries for business, which future business surveys are bound to reveal in the following years."
 ONDREY MIHOČKA, MANAGING DIRECTOR AT TMF GROUP SLOVAKIA,
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"In most cases, the biggest challenges are not technical. They are about people and culture."
 PRZEMYSŁAW SZUDER, GENERAL MANAGER FOR CEE AT AMAZON WEB SERVICES, p. 29

"A positive development was the implementation of laws and regulations enforcing compliance in various aspects, which created a more stable, fair business environment."
 JACEK OBSTALECKI, COUNTRY MANAGER POLAND AND EMEA OILSEEDS FINANCE DIRECTOR AT ARCHER DANIELS MIDLAND, p. 31

"Citi Handlowy is a diverse organization that serves clients with international needs, where we can really have that international edge in what we do, how we do it, and who we do it with."
 ELŻBIETA CZETWERTYŃSKA, CITI HANDLOWY CEO AND CITI COUNTRY OFFICER POLAND, p. 33

AmCham.pl Quarterly is the official publication of the American Chamber of Commerce in Poland. It is a voice for foreign investors and the business community in Poland.

"Poland has enormous development potential, among others, because Polish consumers are curious about new products."
 NATALIA STROE, COUNTRY MANAGER POLAND & BALTICS, COCA-COLA POLAND SERVICES, p. 36

"Our internationally diverse community really does create a wonderful opportunity to celebrate what makes us different as well as discover what we all have in common."
 SUE HILL, PRINCIPAL OF THE BRITISH SCHOOL WARSAW, p. 39

"Five-star hotels have implemented a strict hygiene regiment in their hotels and have learned how to run the business safely under the current circumstances."
 BRITTA KUTZ, AREA GENERAL MANAGER, IHG HOTELS & RESORTS, INTERCONTINENTAL WARSAW, p. 41

"To be successful in this business, the key is doing your specific thing, forging your brand based on unique qualities you have built with your team over time."
 SEBASTIAN WOJCIECHOWSKI, CEO OF PEOPLE CAN FLY, p. 43

"As much as I believe that advertising in Poland is long mature, I cannot say the same about Public Relations."
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"Opening the borders up for a more global workforce is an area where Poland is lacking."
 ROBERT CHMIELEWSKI, CO-FOUNDER AND CEO OF SHARESPLACE, p. 47

"If the EU really wants to combat climate change, it should strengthen its focus on the development of nuclear energy."
 MIROSLAW KOWALIK, PRESIDENT OF WESTINGHOUSE ELECTRIC POLAND, p. 49

The magazine strives to keep our members and other readers up to date by following chamber news and reporting on the leading trends in business and policy.



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AMCHAM.PL QUARTERLY is the official publication of
the American Chamber of Commerce in Poland,
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AmCham
Auditor



Layout design by



Printing by



ADVOCACY OF AMCHAM POLAND

Our top issues include:

AmCham Poland supports the collective interests of its members by working to affect changes that improve the business environment in Poland through:

- the close monitoring of Polish and EU regulations;
- position papers, policy statements, and advocacy letters;
- direct and frequent interaction with policy-makers;
- active participation in the rule-making process.

All AmCham Poland's position papers are available at amcham.pl/advocacy.

THE ACT ON WHISTLEBLOWERS

On October 18, 2021, the draft act on the protection of persons reporting breaches of the law (whistleblowers) was published and sent for public consultations, with its deadline being Wednesday, November 17.

The draft aims to implement the EU Directive of the European Parliament and of the Council on the protection of persons who report breaches of Union law (the EU Whistleblowing Directive) and introduces, e.g.:

- Protection of whistleblowers (natural persons who want to report or publicly disclose information on violations of the law in the field of, for example, circumvention of the provisions on public procurement, environmental protection, and public health);
- The obligation to create regulations on reporting infringements with employers employing at least 50 employees. The regulations will define, among others, the procedure for accepting reports and the maximum time limit for providing feedback to the reporter (not longer than three months);
- The possibility of reporting violations directly to the Ombudsman or other bodies, such as the Office of Competition and Consumer Protection;
- The introduction of criminal sanctions for, *inter alia*, obstructing the reporting of violations; retaliation against a person who has made a report or public disclosure; misrepresentation or public disclosure of false information, or failure to establish an internal reporting and follow-up procedure.

Due to many obligations imposed on entrepreneurs and a short period of *vacatio legis* of the Act, AmCham has prepared its position paper and sent it to the public consultations. The full text is available on our website.

AMENDMENT OF THE ACT ON MEDICAL DEVICES

The Council of Ministers adopted the bill on medical devices on October 19, 2021, which intends to adapt national law to EU regulations.

The draft introduces, e.g.:

- Wider scope of application of advertising regulations and additional prohibitions;

- Obligation of companies to notify about the risks associated with the use of devices (even by mass media) in the event of the President of the Office for Registration of Medicinal Products, Medical Devices, and Biocidal Products (President of the Office) issuing certain decisions prohibiting the placing on the market or putting into service, or recalling or withdrawing from the use of medical devices;
- Extending the catalog of penalties and their amounts, sanctioning companies for preparing technical documentation in a manner that is not clear, structured, easy to search and unambiguous, or which does not contain all the required elements, with a fine of up to PLN 5,000,000;
- Regulating the control of entrepreneurs by the President of the Office.

The act has now been submitted to the parliament, and most regulations are expected to enter into force 14 days after their announcement. AmCham presented its position in a paper with postulates to, first of all, reduce the severity of penalties, which in their current shape are disproportionate and may hinder further market development of the medical devices market in Poland.

OTHER ADVOCACY INITIATIVES

AmCham has also been working on many other legislative initiatives, including:

- Preparation of a report entitled Healthy Legislation 3.0—analyzing the quality of legislation in the field of health during last year;
- The Corporate Social Reporting Directive;
- the Act on the Protection of Freedom of Speech on the Internet;
- The draft act amending the act on the management of packaging and packaging waste and certain other acts;
- A joint-statement of AmChams ahead of the COP26 summit (green transition);
- An amendment to the Act on excise duty.

If your company is interested in participating in these or any other advocacy initiatives, don't hesitate to get in touch with AmCham's Legal team.

LETTER FROM THE CHAIRMAN

DEAR AMCHAM MEMBERS AND FRIENDS,

The return to a new normal is still being defined but already underway as we prepare to close 2021 and welcome the opportunities of the new year. We face many challenges—a persistent pandemic, workforce safety and availability, supply chain problems, as well as understanding what the workplace/environment looks like going forward to highlight but several.

The political and security situation is on the mind of all investors as people are used as pawns against Poland, its Baltic state neighbors, and the European Union. As individuals and corporate actors, we need to understand the interrelation of the actions by Belarus and the impact it can have on policies, decisions and the reputation of the EU and its member states.

In November, AmCham met with Deputy Assistant Secretary of State for Central European Affairs, Robin Dunnigan. It is good to be meeting in person with US government officials and sharing our views here on the ground and learning about the Biden Administration's plans and efforts on transatlantic relations and then emerging Belarus/Ukraine border areas.

September 2021 saw the return of the AmCham Diner at the Economic Forum. Great to see the neon lit up and the crowds of animated, engaged investors, policymakers, experts and the media back in the mix. Many thanks to Żabka and our Sponsors for their tremendous support. Great to be back!

As this edition of AQ covers it, there is a lot going on in terms of sectors, issues, companies and personalities. From Monthly meetings to Karpacz, discussing the energy transition, supporting private media and the rights of investors, and continuing our dialogue with a wide range of political and policy leaders—you can see that the AmCham team is working at a very high temp.

It is a welcome sight to see many of you in person over the last few months. I hope this trend will continue for all of us. Thank you for your support and commitment to AmCham. 2022 is going to be eventful and I am confident very productive for our common goals of growth, jobs, prosperity and security.

With best regards,



TONY HOUSH
AMCHAM CHAIRMAN

AMCHAM ECONOMIC RESEARCH UNIT

AmCham aims to deliver reliable information defining the effects of US capital on the Polish economy to the Polish media as well as policymakers. The AmCham Economic Research Unit (ERU) analyzes US-owned businesses in Poland and their impact on the country's economy. It also quantifies various aspects of Poland-US economic relations.

The ERU pays special attention to the precise recognition of the capital ownership, type of business projects and the scope of investments in various sectors of the economy, and the effects of those businesses on the Polish labor market, innovation improvement and technology development.

The ERU is a source of information on the value of assets, funds, and employment of US-owned entities operating in the Polish market, including industrial manufacturing companies as well as service providers.

The ERU collects data, analyzes, and interprets it to show main trends for the near-future economic forecasts. As the ERU looks at Poland's economic position in the region, its scope of research covers all US companies in the EU and Central and Eastern Europe and how they build their competitive edge in the European Single Market.

The ERU publishes its research in the *AmCham Business & Economic Review*. This year the following volumes have been published:

Vol. 1: *Greenfield Investments in Poland. US Companies lead the market.*

Vol. 2: *Southern Poland as a Rising Star in Locating Foreign Investments in Poland. Evidence of American business.*

Vol. 3: *Poland-US Trade Relations 2020. Trade in the shadow of the pandemic.*

Past issues are available at: amcham.pl/news/type/reviews

AmCham Business and Economic Review Vol. 3/2021 Poland-US Trade Relations 2020. Trade in the shadow of the pandemic.

AS PROTECTIONIST POLICIES NO LONGER DWARF THE US-EU TRADE, POLISH EXPORTERS TO THE US ARE BOUND TO TAKE ADVANTAGE.

A NEW BEGINNING

A new era in mutual trade relations between the US and the European Union is coming, following an agreement to end a dispute on US tariffs on steel and aluminum.

In June, the two sides agreed to end the 17-year dispute over subsidies to Airbus and Boeing. What is more, in late September, they announced a new partnership in trade and technology, and in October, they agreed on a minimum global CIT rate.

The end to the 17-year-long dispute means the end to the retaliatory tariffs imposed by the EU on American products, including orange juice, bourbon, and Harley-Davidson motorcycles, prices of which have risen significantly due to the tariffs. It also cancels additional tariffs that were to be imposed on US products as of December 1.

ABOLISHING TRADE BARRIERS

The protectionist policies of the former US administration resulted in the imposition of tariffs on the EU, Canada, and Mexico, in 2018. With the new agreement, the EU will be able to export 3.3 million metric tons of steel products to the US duty-free per year, while exports above that amount will fall into a 25 percent tariff. Other products above imported to the US above that limit, which have already been granted duty exemption this year, will be exempt from duty for the next two years.

The 10-percent duty on aluminum products will continue, while a certain amount of metals produced in

the EU will be allowed to be imported to the US duty-free. However, steel and aluminum products that qualify for duty-free imports to the US must be made entirely within the EU.

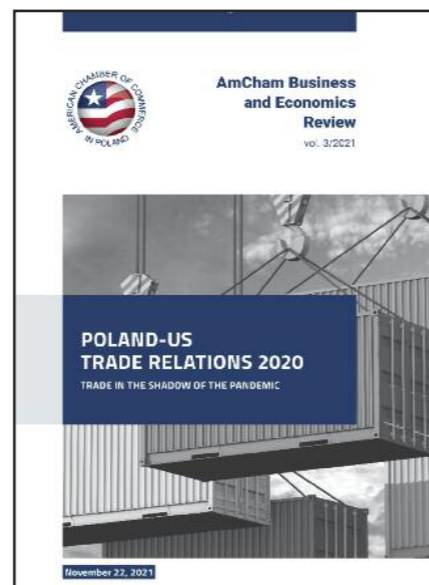
This settlement removes one of the most extensive areas of the clash between the allies. It is also a gesture of a new opening in mutual trade relations. It allows the trading partners to focus on negotiating new trade agreements and such that would address the

global supply crisis and mitigate the adverse effects of the rising prices globally of commodities and energy.

A GROWING EXPORT DESTINATION

Being an EU member, Poland is also a party to these agreements. For Polish producers, the American market seems to be increasingly attractive every year. Free-trade conditions for trade cooperation are critical for long-term beneficial economic cooperation.

In recent years, Polish companies have expressed a growing interest in the US market. In 2020, the value of Polish exports of goods and services to the US totaled USD 12.2 billion. Over the past decade, Polish exports to the US have grown at an average annual rate of 10 percent, almost double the growth rate of all Poland's exports. As a result of such a dynamic growth of exports to the US, the share of the US in the value of Poland's exports increased from 1.83 percent in 2010 to 2.88 percent in 2020.



AmCham Committees



Angela Saliba, General Manager of the Sheraton Grand Warsaw, is the new Co-Chair of the AmCham Travel & Tourism Committee. She brings 29 years of industry experience spanning resort and business hotel operations in Malta, Greece and Poland. During her career with Starwood Hotels & Resorts and Marriott International, Angela gained invaluable business experience leading family, golf and beach resorts as well as managing conference and city center properties. Besides hotel operations, Angela also led Total Quality initiatives driven by Six Sigma and Lean across multiple hotels in Italy and Malta. Arriving in Poland in 2013, Angela led Krakow's market-leading Sheraton Grand Krakow and was recognized at Marriott International as Europe General Manager of the Year in April 2017 for outstanding financial performance as well as exceptional guest service levels and high employee engagement. AmCham's Committees provide fora for business leaders with similar interests to network, share best practices, and discuss relevant topics and issues and allow its members to input in matters that are most important to the industries they represent. There are 13 committees at present covering critical industries for the Polish economy, including Digital Tech and Digital Economy, Industry & Energy, Manufacturing, Pharma, Real Estate, Sustainability, Tax & Financial Services, and Travel & Tourism.

DCT Gdańsk

DCT Gdańsk, the largest container terminal in the Baltic Sea, has received the TSL Award (a recognition in Transportation Science and Logistics) from the *Rzeczpospolita* daily. DCT was awarded for the implementation of fully automated gates that use Optical Character Recognition cameras to register trucks and containers arriving at DCT Gdańsk. The awarded system improved the safety of drivers and DCT employees and increased the efficiency of servicing the DCT gate complex by reducing the time spent by drivers at the entry gates from 12 minutes to 1 minute.

The TSL Industry Leaders Awards are owned by the daily *Rzeczpospolita*, which is a part of the AmCham member company Gremi International. The award was established three years ago and is held in four categories: innovation in logistics, man of the year,

ecological solutions and infrastructure, best financial results - the award is given to enterprises with the highest revenue dynamics.

InterContinental Warsaw



Britta Kutz has been appointed General Manager at the InterContinental Warsaw, Area General Manager for IHG Hotels & Resorts in Poland, becoming the first female General Manager at that hotel. She arrived in Warsaw from Dusseldorf after a successful tenure as Area General Manager for IHG Hotels & Resorts in Germany. Kutz developed her leadership career working in different positions and hotels across the InterContinental brand, including the InterContinental Cologne and InterContinental Singapore, before becoming General Manager at the InterContinental Hua Hin Resort in Thailand in 2012. In 2015, she was appointed General Manager of InterContinental Bandung Dago Pakar in Indonesia, where she played a key role in finalizing the opening of the hotel in the capital of West Java before she returned to Europe as General Manager of the InterContinental Düsseldorf in 2016.

InterContinental Warszawa is a five-star hotel offering 414 guest rooms and fully equipped Residence Suites and the Riverview Wellness Center is located on the 43rd and 44th floors, with the highest swimming pool in Europe, gym, sauna and steam room.

Łódź Special Economic Zone

On Sep 23-24, over 30 leading manufacturers and importers of household appliances and distributors met in Łódź for the 3rd Home Appliances Congress, held jointly by the Łódź Special Economic Zone, and the trade employer organization APPLIA. With the congress motto "New Climate," discussions centered around investment opportunities in the sector, technological challenges, new supply channels, and new approaches to protecting the environment.

The home appliances sector supports nearly 30,000 jobs in Poland, with over 7,000 having been created by companies in the Łódź Special Economic Zone.

PwC

To celebrate its 30th anniversary in Poland, the global business advisory PwC raised PLN 680,000 in a charitable auction of artwork held in cooperation

with the DESA Unicum auction house and painter Michał Zaborowski. The money will be used to finance social programs undertaken by four organizations: the Empowering Children Foundation, the Center for Citizenship Education, the Integration Foundation, and the Foundation for Social Innovation.

Auctioned were 30 portraits of popular personalities in culture, sports, social life, and business, which together comprised "The Art of Perception" collection. All pieces found new owners, with some of them taking part in the auction online through the DESA application.

The auction was held on October 22 in the cellars of the Royal Castle in Warsaw.

Savills Poland

Savills is developing a new concept, the Industrial Services Hub, to address the changing needs of the Polish industrial market, which has evolved significantly in the last 20 years.

Given the market's growing diversity, including the pool of available facilities, technical requirements, and the number of developers, investors and potential locations, tenants are increasingly relying on the professional advice of real estate agencies. The Industrial Services Hub is a new platform for industrial tenants, developers and landlords, and logistics investors. It will capitalize on its cooperation with Savills' existing business lines to deliver integrated property leasing, sale and acquisition services. The Industrial Services Hub will build on Savills' leading position in advanced forward funding advisory.

With the Industrial Services Hub, Savills will be offering a complementary approach to the entire warehouse property lifecycle, from searching for a site and its acquisition through to lease process coordination, construction advisory, project and property management.



Katarzyna Pyś-Fabiarczyk, Head of Industrial Agency, Savills in Poland, will lead the Industrial Services Hub in collaboration with John Palmer, Head of Industrial Investment, Savills Poland (pictured).

AGENDA

INTELLIGENCE FROM AMCHAM COMMITTEES

AmCham Agri, Food & FMCG /Industry

The two committees held a joint session in October to discuss the consequences of the implementation of the EU laws governing packaging waste. The speakers were Managers from PwC Polska, an AmCham member company, Daniel Maryjusz, and Łukasz Pamuła, who discussed the degree of implementation of the new law, proposals for national legislation, new obligations, and fees, including the EU Plastics Directive, and the implication of the Extended Producer Responsibility (EPR—a policy approach under which producers are given a significant responsibility including financial, for the treatment or disposal of post-consumer products).

HR

In September, the committee met online to discuss the labor market as viewed through job advertising online. The speakers were Monika Smulewicz, Partner, Outsourcing Department at Grant Thornton; and Maciej Michalewski, CEO and Founder of Element Applicant Tracking System—an online application for supporting HR departments. The speakers talked about how much information about the labor market can be derived from job advertising, safe for the salaries offered, as approximately 90 percent of all job offers posted online do not carry salary information.

The committee met in November to discuss new ways of applying digital solutions by HR departments. The speakers were Marta Pawlak-Dobrzańska, HR Strategist and Analyst at Great Digital. She talked about how social mobile analytics and cloud (SMAC) technologies can increase the efficiency of HR operations across companies and how the process is driven by external forces, such as the pandemic. The speaker also gave an overview of the most efficient platforms that support HR functions, including Medalia, Teamtoolbox, and Sherlock Waste.

Real Estate

In October, the committee met to discuss the rapid emergence of residential for rent—a sector that is booming in 2021. The speakers were Magdalena Szwarz-Brożyna, Partner at Dentons; Jan Trybalski, Vice President Investments at Griffin Real Estate; and Mira Kantor-Pikus, Partner at Cushman & Wakefield.

Showcasing the growth potential for the new sector, the speakers underlined exten-

sive housing shortages in Poland in urban areas combined with the relatively low percentage of Poles living in rented apartments compared to the EU average. As the market matures, the rental sector has the potential to expand from the current 16 percent of the population using rented accommodation to even as much as 30 percent—the average for the EU in 2019. The demand for rental accommodation is also fuelled by the shortage of homes—Poland is among the EU countries with the lowest rate of apartments and the lowest number of apartment rooms per capita. As a result, the overcrowding rate in Poland is among the highest in the EU, with nearly 38 percent. This prompts foreign rental operators to enter the market primarily by acquiring projects from developers in advance. With this, established developers offer ready-made projects to be sold directly to operators.

Sustainability

The committee met in August to discuss new requirements for reporting issues concerning sustainable development. The speakers were Aleksandra Stanek-Kowalczyk from SAPERE; Mariusz Wawer, Head of Government Relations & Sustainability at 3M Poland; and Tomasz Wiśniewski from the Warsaw Stock Exchange. The speakers presented the new provisions of the Corporate Sustainability Reporting Directive, which makes large companies disclose information on how they operate and manage social and environmental challenges. This helps investors, civil society organizations, consumers, policymakers and other stakeholders to evaluate the non-financial performance of large companies and encourages these companies to develop a responsible approach to business.

In October, the committee held a meeting devoted to sustainable packaging, focusing on critical areas for plastic packaging across the value chain. The speakers were Pierre Conrath, Business Development Manager, Circular Polymers, ExxonMobil Chemical; Małgorzata Skonieczna, Public Policy & Government Affairs and Communications Director for Central Europe at PepsiCo Consulting; and Małgorzata Wadzińska, Senior Director of Government Relations for Central Europe and EU Policy at Procter & Gamble.

Pierre Conrath showcased ExxonMobil's large-scale plastic waste facility in Baytown, Texas, which recycles plastic waste into raw materials that can be used to make plastic and other valuable products.

In turn, Małgorzata Skonieczna talked about

the factors necessary for the circular economy, while Małgorzata Wadzińska discussed different approaches to the circular economy and talked about how to inspire employees to bring sustainability into their work and communities.

Tax & Financial Services

The consequences for taxation that come from the government reform—the Polish Deal, which aims at invigorating the economy—were on the agenda of the committee meeting in September with speakers from KPMG Poland Andrzej Marczak, Partner, Head of Tax in CEE, Head of Personal Income Tax Services in Poland, and Paweł Barański, Partner, Head of Tax and Legal. They presented how the "deal" will affect personal income tax, innovation reliefs and withholding tax. The meeting was the first in a series addressing the consequences of the Polish Deal reform.

In November, the committee met to discuss the changes in VAT that come into effect in 2022. The speakers were Piotr Barański, Senior Manager, Tax Management Consulting at Deloitte Polska; Przemysław Skorupa, Director of the VAT Team at Deloitte, and Norbert Wasilewski, Associate Partner, Tax Advisory at Deloitte. They presented the pros and cons of the National System of e-Invoices, which companies may adopt on a voluntary basis in 2022, which is set to become obligatory for all companies in 2023.

Travel & Tourism

The committee met online in November to discuss how business and leisure travel evolved during the pandemic in the EU concerning safety. The speakers were Kinga Beda from the National Health Fund; who talked about medical coverage offered by the European Health Insurance Card and who and under what conditions is entitled to it; Weronika Gackowska, Business Development Manager at Allianz, who presented the cost side of medical services offered to insured individuals; and Artur Mysłek, Senior Broker at Aon, who talked about the pros of a supplemental insurance policy providing both occupational and non-occupational accident and health coverage to a company's employees in the event of a covered injury or illness arising while traveling on company business.

The success of the AmCham Diner at the Karpacz Economic Forum 2021 would not have been possible without the Diner's Partners:



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COVER STORY

LET'S WORK TOGETHER!

AMCHAM SHOWCASES THE POTENTIAL OF AMERICAN BUSINESS IN POLAND AT THE ECONOMIC FORUM IN KARPACZ.

It was for the 9th consecutive time that the AmCham Diner opened its door at the largest annual gathering of Polish companies, businesses supporting government agencies, high-level government representatives, NGOs and other stakeholders in the Polish economy—the Karpacz Economic Forum 2021 (formerly known as the Krynica Economic Forum). By partnering with the forum, AmCham made its mark upon the event not only by providing a popular place where congress participants could socialize over meals and drinks provided by Diner Sponsors, but it also managed to showcase the positive role that American investors have played in the Polish economy over the last three decades. It served as a vibrant area for meetings, media interviews and a place where business and government representatives could meet to discuss the future of the Polish economy.

On the first day of the forum, the AmCham Diner hosted the AmCham & CVC Partners Meeting with the representatives of the American business community and government-affiliated officials, devoted to discussing investment opportunities in Poland and the increasing importance of the CEE region in reshuffling global supply chains, and how diplomatic relations between Poland and the US can help increase the region's attractiveness for investors.

On day two, the AmCham Diner hosted the AmCham Pharma Committee Breakfast, a meeting between business and government representatives devoted to discussing, among others, the best ways

for the implementation of the government drug policy vis-a-vis the Reimbursement Act and the proposed timetable to the financing of services and therapies. In the evening, the AmCham Diner hosted a networking event—the AmCham & MSL Cocktail Party. On day three of the forum, the diner hosted a breakfast event—a stakeholder dialogue held by AmCham, 3M Poland, and the UN Global Compact. The meeting participants focused on the government's priorities in climate transformation and discussed potential areas of cooperation and involvement of the private sector in the implementation of climate goals.

In an interview for Discovery/TVN journalist Jan Niedziałek, held at the TVN24/TVNBIS Live Studio (a part of the AmCham Diner) on the last day of the forum, Marzena Drela, AmCham Operations Director, said that the American Chamber of Commerce in Poland is about facilitating dialogue between US business and the Polish central administration as well as other stakeholders in the Polish economy. This is why the chamber welcomed this opportunity to facilitate such a dialogue at the Economic Forum again, after a break last year, when the forum did not take place because of the pandemic.

Marzena Drela underlined the importance of good, honest dialogue, during which both parties can showcase difficult issues and discuss them, having an opportunity to show the pros and cons of certain solutions proposed by the public administration, and explain the al-

ternatives. She noted that while 30 years ago, when the first American investors came to Poland, they introduced to the country a new corporate business model and new business culture. Today, however, what they bring is much more complex—new solutions scalable to local market realities in a range of areas that are critical to the economy after the pandemic, including environmental, social and corporate governance. Because of the pandemic and the challenges it has been posing to the economy and society at large, it is essential for businesses and the public sector to have a high-quality, effective dialogue through which they can solve problems and create an efficient legal and regulatory environment for all the stakeholders in the economy. Some solutions that benefit all stakeholders must be rendered to business models, and this is what the American business community in Poland is advocating.

Different voices

The TVN24/TVNBIS Live Studio of the AmCham Diner served as a platform for sharing the voice of the American business community with the guests of the AmCham Diner but also beyond the ranks of the forum. Interviews with business leaders, politicians and other stakeholders held by Jan Niedziałek were a vital part of the live coverage of the forum delivered by the station.

Among the guests at the corner were American business leaders as well as representatives of the public sector. Among the latter was Georgette Mosbacher, Co-

Chair of the Three Seas Initiative program at the Atlantic Council and former US Ambassador to Poland, who will be long-remembered for her robust and successful work in helping Poland get into the US Visa Waiver Program. In her busy schedule in Karpacz, Georgette Mosbacher made space to sit down with Marta Poślad, AmCham Board Member (Google), to talk about US investment in Poland going forward. The guest said that because of the pandemic-related disruptions in global supply chains, Poland has an opportunity to create an attractive matrix for foreign investors who sell to the region as well as to western Europe. She added that Poland will keep growing economically faster than western Europe as long as the country continues to produce tech talent, which attracts technology companies while high living standards are available for a reasonable price.

Another representative of the public sector at the TVN24/TVNBIS Live Studio was

sick leave or unemployed.

In turn, Adam Niedzielski, Health Minister, sat down with Jan Niedziałek to talk about government priorities regarding the national healthcare system, including plans to boost the system's financing, so its budget equals 7 percent of the value of the country's annual gross domestic product—all without rising the healthcare insurance fee. It is a major reform and much welcomed by the private healthcare sector, which collaborates with the public part on a contract basis. The importance of national healthcare can be hardly overestimated in Poland—while all minors and students in the country use it for free, there are nearly 16 million adults who are covered by the system as well. They are serviced by over 250,000 people employed in the national healthcare system.

Another representative of the Polish government was Andrzej Adamczyk, Minister of Infrastructure, who talked about government projects regarding

Technology innovators

Among the business leaders who were interviewed at the TVN24/TVNBIS Live Studio were representatives of American companies which deliver services based on proprietary technology, such as Visa, Amazon, and 3M.

Adrian Kurowski, Country Manager at Visa, talked about the challenges the company faced when the pandemic generated rapid growth in electronic payments and Visa technology solutions targeted at companies that have not yet embraced electronic payments. While in retail, such companies are few and far apart, there is still plenty of them in the services sector, such as plumbers, home appliance mechanics and electricians. Since, in most cases, those are one-man micro-companies with relatively low turnover, they are disinclined to invest in buying mobile payment terminals. Knowing that Visa offers them a proprietary software that turns Android-based smartphones into payment terminals.



Post-pandemic economy. How to keep Poland attractive market for foreign investors? Łukasz Kowalski, who moderated the discussion with panelists Natalia Stroe; Adam Pierikowski, Roman Pałac, Bartosz Ciołkowski, Michał Jaszczyk, Marian Sepesi.

Prof. Gertruda Uścińska, President of the Social Insurance Institution ZUS. Focusing on the social aspect of the economy, Prof. Uścińska said that thanks to the government aid programs—6 in 2020 and 9 in 2021—there were no major layoffs during the pandemic in Poland, and no spectacular bankruptcies. On the contrary, the Polish economy grew stronger, with more people having jobs in Poland now than before the pandemic. Prof. Uścińska noted that among the employed, there are 825,000 foreigners, who work in the country, pay social security fees, and get the benefits when on

the development of road and railroad infrastructure. The minister explained that in the last five years, modern road infrastructure grew by 50 percent, while the government has plans and financing to keep modernizing railroads by 2030 and beyond. Measured by kilometers of new infrastructure delivered to the public, roads are much ahead of railroads—a fact which the minister explained by saying that, unlike the road infrastructure, most of the new railroad infrastructure is built nearly from scratch, including embankments and bridges, which naturally takes more time.

In turn, Marian Sepesi, Regional Director Operations, Amazon, talked about how the company helps small and medium enterprises that sell on the Amazon platform optimize their business when supply chains are disrupted by applying creative solutions developed within the Amazon global network and scaling them down to local demand. Another representative of AmCham-member company, Radek Kaskiewicz, Managing Director East Europe Region, 3M Poland, talked about how 3M Poland reacted to the pandemic-related challenges by diversifying its business to off-

COVER STORY

side the drop in sales in the automotive sector by rising sales in protective gear. Kaskiewicz underlined the fact that most of the products sold by 3M in Europe are innovative and developed in Poland. An interesting example of the impact on the market of a company with an innovative business was presented by Michał Konowrocki, Head of Poland at Uber. Konowrocki said that when Uber managed to persuade lawmakers in Poland that software-based taximeters in smartphones should be as much valid for business as traditional taximeters, and a new law was introduced making it legal for Uber services to be offered in Poland under the condition that the drivers meet the same requirements as traditional taxi drivers, the market of taxi transportation revived. While Uber terminated contracts with drivers who did not meet the requirements of the new law, it saw that a number of traditional taxi drivers began to resort to Uber for extra business. Innovative technologies were also in focus with another speaker at the TVN24/TVNBIS Live Studio, Tomasz Suchański, CEO of Żabka convenience chain owned by AmCham-member com-

merce—quick delivery for orders made through mobile applications. The Żabka CEO also talked about technologies involved in the first unmanned Żabka store in Poznań, saying that while such a concept is good for locations where it is economically infeasible to employ people, Żabka uses the Poznań project as an incubator of new retail ideas that it plans to implement across its network of convenience stores.

Big and appreciated

Among the guests at the TVN24/TVNBIS Live Studio were also the representatives of American brands that have been well-known in Poland for a long time as they are owned by the pioneering American investors in Poland: PepsiCo, Coca-Cola and McDonald's. Michał Jaszczuk, CEO, PepsiCo Poland, talked about the company's newest investment project in Poland—the construction of a PLN 1 billion production facility. It is set to the standards of sustainable development, which will be mandatory in Poland in over 10 years. While without adhering to those standards, PepsiCo could have built the factory cheaper, the project reflects the com-

In 2020 Coca-Cola generated over PLN 3.5 billion for the Polish economy in its value chain. Today, despite regulatory uncertainties and new taxes introduced this year, Coca-Cola is set to be a robust contributor to the economic recovery in Poland post-pandemic. In turn, Anna Borys Karwacka, Corporate Affairs Director at McDonald's in Poland, talked about the headways McDonald's has made in Poland in the recycling of paper packaging. As much as 70 percent of McDonald's packaging is made of paper. Today, the company is capable of recycling 100 percent of it internally, turning paper waste into paper towels and toilet paper. As many as 140 restaurants in Poland use the system now and the company works to apply it across all its restaurants the country over.

Panel discussions

Along with keeping the AmCham Diner open for business for three consecutive days, AmCham organized three panel discussions that were part of the official panel discussion program of the Economic Forum. On the first day of the forum, Łukasz Kowalski, Member of the Board at MSL

aging Director, McDonald's Polska; and Michał Jaszczuk. The panelists focused on challenges for business in Poland, signaling, among others, the lack of proper stakeholder dialogue with the government as well as regulatory uncertainties. They argued that the public administration should be a partner to business with a role of con-

one of the most important pros of US companies in Poland is their global experience combined with scalable technology solutions that can be fine-tuned to the needs of local markets. The speakers underlined that their companies use the technology not only to fine-tune their own business models to the local conditions and cultures but also

country is now in need of preparing new generations of tech-educated graduates not only on the university level but also on the level of secondary education to ensure a sustainable economy for the future. In addition to having high skills in their fields of expertise, the new talent that will be in demand in the future need to have a good understanding of sustain-



The future of American business in Poland Jolanta Jaworska, AmCham Vice Chair (IBM), who moderated the discussion, with panelists Krzysztof Drynda, Grzegorz Byszewski, Kamil Wyszczkowski, Radek Kaskiewicz; Mariusz Mielczarek, Jerzy Kwieciński.



New Deal—New World. How American investors are changing today's world and Poland? Joanna Bekker from Polityka Insight, who moderated the discussion, with panelists Vangelis Savvas, Krzysztof Szubert, Adrian Kurowski, Dorota Żurkowska-Bytner, and Marcin Moczynóg.

pany CVC Capital Partners. Suchański talked about how e-commerce changed traditional retail, leading Żabka to be able to generate 25 percent of its turnover through mobile applications. The company works to combine brick-and-mortar presence with e-commerce, heading for what Suchański called Q-

pany's long-term commitment to the development of a sustainable economy in Poland. In turn, Natalia Stroe, Country Manager for Poland and Baltics at Coca-Cola Poland Services, underlined the company's business strength and confidence during the first phase of the pandemic.

Group, moderated the discussion entitled: "Post-pandemic economy. How to keep Poland attractive market for foreign investors?" with panelists Marian Sepesi; Natalia Stroe; Roman Pałac, CEO, Gemini Polska; Bartosz Ciołkowski, General Manager, Poland, Czechia & Slovakia, Mastercard; Adam Pierkowski, Man-

tributing to the stability of the law, transparency in the lawmaking process, including new legislation and taxation. The panelists also underlined the importance of modernizing and digitizing communication with state administration for the sake of quick decision-making and transparency. "New Deal—New World. How American investors are changing today's World and Poland" was the second AmCham panel discussion held at the Economic Forum in Karpacz. Moderated by Joanna Bekker from Polityka Insight, the discussion involved Vangelis Savvas, Managing Director, 3M Global Service Center; Krzysztof Szubert, President of the Management Board of NCBR Investment Fund; Adrian Kurowski, Country Manager, Visa; Dorota Żurkowska-Bytner, Member of the Management Board, TVN Grupa Discovery; and Marcin Moczynóg, Regional General Manager at Uber. The discussion focused on the role of technology in changing business models that American companies bring to Poland, how they impact the economy and what challenges in public relations they entail. The speakers agreed that

to address specific social and economic issues such as economic exclusion, women empowerment, and others. The need for an honest, open, transparent and effective stakeholder dialogue with the government was voiced once again at the Economic Forum on day three of the forum during the AmCham panel discussion entitled "The future of American business in Poland." Jolanta Jaworska, AmCham Vice-Chair (IBM), moderated the discussion. The speakers were Radek Kaskiewicz; Mariusz Mielczarek; Jerzy Kwieciński, Vice Chairman, Bank Pekao SA; Krzysztof Drynda, Chairman of the Polish Investment and Trade Agency PAIH; Grzegorz Byszewski, Co-Chair of the AmCham Pharma Committee, (Roche); and Kamil Wyszczkowski, President, UN Global Compact Network. Going beyond Poland-specific problems, Amazon's Mariusz Mielczarek noted that in the EU, the complex VAT system is a barrier for small and medium-sized companies that want to export their products outside of their home countries. Radek Kaskiewicz focused on the education system by saying that having attracted so many foreign investors, the

able and socially responsible business—a relatively new topic as well as a new challenge for the Polish education system. Jerzy Kwieciński, who held a number of ministerial roles with the present government, underlined the importance of high-level political relations between Poland and the US by noting that ever since the two countries tightened their relations on the top political level some five years ago, in time, the good vibrations came down to the level of State governments and boards of US-based companies. This is best reflected by the inflow of US capital in recent years—American investors are the second largest group of foreign investors in Poland, after Germany, but also in the numbers on Poland-US trade which has been growing on average 25 percent year-on-year for the last five years. While in value terms the trade is still a fraction of that between Poland in Germany, the fact that it has been growing steadily is a good indicator for the future.

Facilitating DIALOGUE

It was for the 9th consecutive time that the AmCham Diner appeared at the largest annual gathering of Polish companies, businesses supporting government agencies, high-level government representatives, NGOs and other stake-

holders in the Polish economy—the Karpacz Economic Forum 2021, formerly known as the Krynica Economic Forum. By partnering with the forum, AmCham made its mark upon the event not only by providing a popular place

where congress participants could socialize over meals and drinks (provided by Diner Partners), but it also managed to showcase the positive role that American investors have played in the Polish economy over the

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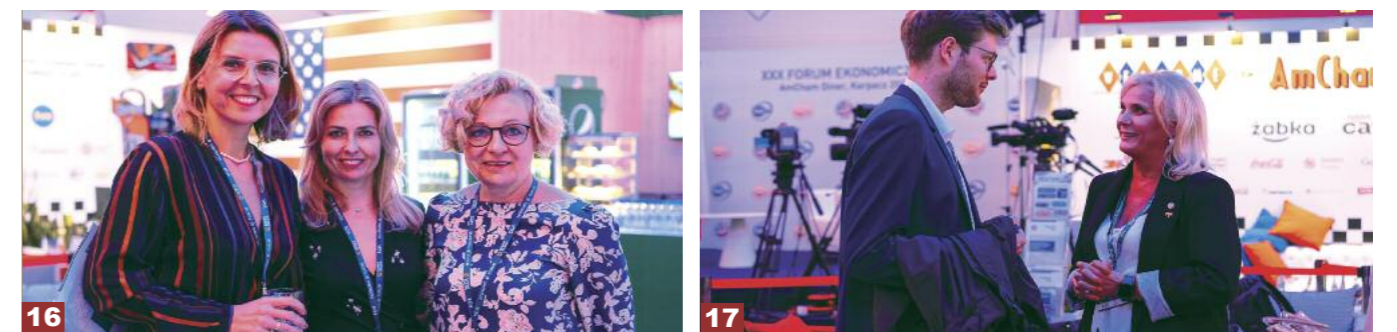


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Poland and the US can help increase the region's attractiveness for investors.



1. Jerzy Bochyński, Institute of Eastern Studies/ the Karpacz Economic Forum; Marzena Dreła, AmCham Operations Director. 2. Dominika Fox-Matulewicz, AmCham Executive Director; Irma Veberic, Roche. 3. Marzena Dreła, AmCham Operations Director; Wojciech Andrusiewicz, Spokesman for the Ministry of Health. 4. Marta Pośląd, AmCham Board Member (Google); Georgette Mosbacher, Co-Chair of the Three Seas Initiative program at the Atlantic Council. 5. Tomasz Suchański, Żabka; Marzena Dreła; Alfred Kubczak, Żabka. 6. Roman Pałac, Adam Błażczek, Gemini Polska. 7. Marzena Dreła; Georgette Mosbacher. 8. Adam Pierkowski, McDonald's; Marzena Dreła; Anna Borys Karwacka, McDonald's; Jarosław Machocki, Gremi Media SA. 9. Radek Kaskiewicz, 3M Poland; Marzena Dreła; Karol Witaszek, AmCham; Mariusz Wawer, 3M Poland. 10. Michał Jaszczczyk, PepsiCo; Marzena Dreła; Julian Krzyżanowski, PepsiCo. 11. Phil Goss, Perła; Anita Kowalska, AmCham. 12. Marzena Dreła; Sebastian Hejnowski, SEC Newgate CEE. 13. Dominika Fox-Matulewicz; Georgette Mosbacher. 14. Anita Kowalska, AmCham; Katarzyna Przewięzikowska, Żabka. 15. The AmCham/CVC Partners meeting in progress. 16. Eliza Przeździecka, AmCham; Agnieszka Jankowska, AmCham Board Member (GE); Jolanta Jaworska, AmCham Vice Chair (IBM). 17. Michał Konowrocki, Uber; Marzena Dreła. 18. Krzysztof Krawczyk, CVC Capital Partners; Krzysztof Drynda, Chairman, Polish Investment & Trade Agency; Marian Sepesi, Regional Director Operations, Amazon; Marzena Dreła. 19. Krzysztof Krawczyk, CVC Capital Partners; Paweł Borys, President, Polish Development Fund; Krzysztof Drynda, Chairman, Polish Investment & Trade Agency.

On day two of the forum, the AmCham Diner hosted the AmCham Pharma Committee Breakfast, a

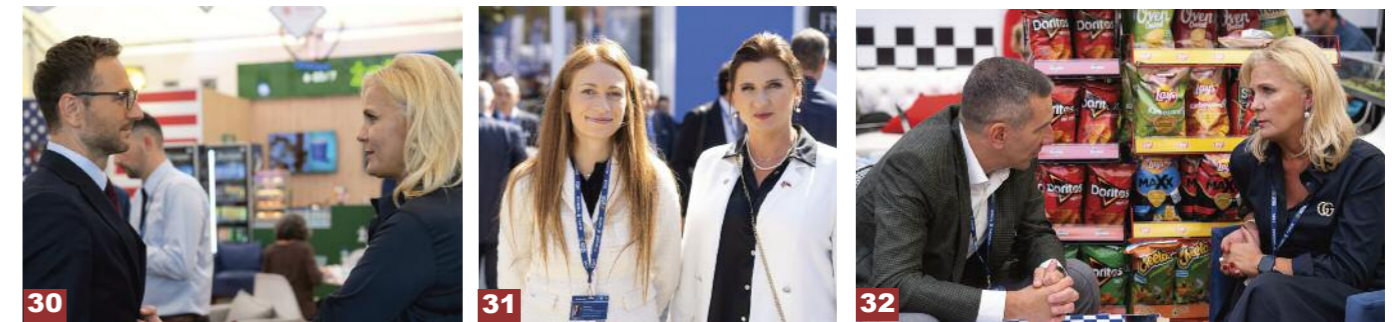
meeting between business and government representatives devoted to discussing, among oth-

ers, the best ways for the implementation of the government drug policy vis-a-vis the Reim-

bursement Act and the proposed timetable to the financing of services and therapies.



20. The participants of the AmCham Pharma Committee breakfast. 21. The breakfast in progress. 22. Sylwia Bakuła-Wieczorek, Sanofi; Jacek Graliński, Amgen; Dominika Fox-Matulewicz; Sandra Szeszeń, Sanofi; Sylwia Jaszczynska-Kolasza, Amgen. 23. AmCham Operations Directors Marzena Dreła welcomes the participants of the AmCham Pharma Committee breakfast. 24. Jacek Graliński. 25. Maciej Miłkowski, Undersecretary of State, Ministry of Health. 26. Marzena Dreła; Minister of Health Adam Niedzielski; Jacek Graliński. 27. Eliza Przeździecka, AmCham; Dominika Fox-Matulewicz; Prof. Grzegorz Kołodko, former Deputy Prime Minister. 28. Adrian Kurowski, Konrad Ślusarczyk, Visa. 29. Michał Kobosko, Vice President, Polska 2050 Association; Marzena Dreła. 30. Waldemar Buda, Secretary of State, Ministry of Development Funds and Regional Policy; Marzena Dreła. 31. Michalina Sobolewska, ExxonMobil; Anita Kowalska. 32. Bartosz Ciołkowski, Mastercard; Marzena Dreła. 33. Andrzej Adamczyk, Minister of Infrastructure; Marzena Dreła. 34. Rafał Stepnowski, Boeing; Dominika Fox-Matulewicz. 35. Marzena Dreła; Aleksandra Dulkiwicz, Mayor of Gdańsk. 36. Marcin Moczny, Uber; Dominika Fox-Matulewicz; Michał Konowrocki, Uber. 37. Adam Pustelnik, Deputy Mayor of Łódź; Dominika Fox-Matulewicz; Dorota Dąbrowska-Winterscheid; Mariusz Mielczarek, Amazon. 38. Eliza Przeździecka; Dominika Fox-Matulewicz; Jolanta Jaworska; Hanna Gil-Piątek, Szymon Hołownia, Polska 2050 Association; Marzena Dreła; Michał Kobosko, Polska 2050 Association; Monika Cisielska-Mróż, AmCham Wrocław Branch Director; Mateusz Jurczyk, AmCham Kraków & Katowice Branch Director.



On the evening of day two of the forum, the AmCham Diner hosted a networking event—the AmCham & MSL Cocktail Party.



39. Marzena Drela; Sebastian Stępak, MSLGroup. 40. Marzena Drela; Łukasz Kowalski, MSLGroup. 41. Marzena Drela; Gertruda Uścińska, Chairman of the Social Insurance Institution ZUS. 42. Witold Kołodziejki, Chairman of the National Broadcasting Council; Krzysztof Szubert, Chairman of the National Center for Research and Development; Marzena Drela; Dorota Dąbrowska-Winterscheid. 43. Marzena Drela; Jan Sarnowski, Undersecretary of State, Ministry of Finance. 44. Karol Witaszek, AmCham; Krzysztof Bosak, MP. 45. Anna Surała, Economic Forum in Karpacz/the Institute of Eastern Studies; Marzena Drela; Anita Kowalska. 46. The AmCham team: Marzena Drela, Eliza Przeździecka, Mateusz Jurczyk, Karol Witaszek, Anita Kowalska, Dominika Fox-Matulewicz. 47. Marzena Drela with the TVN/Discovery team: Przemysław Gosławski, Piotr Kaczmarek, Jan Niedziałek, Agnieszka Duś, Andrzej Adamowski, Dariusz Szczygieł, Paweł Machnowski.

On day three of the forum, the AmCham Diner hosted a Breakfast event—a stakeholder dialogue held by AmCham, 3M Poland, and the UN Global Compact. The meeting participants discussed the government's priorities in climate transformation and operation and involvement of the private sector in the implementation of climate goals.

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operation and involvement of the private sector in the implementation of climate goals.



48. Krzysztof Drynda; Krzysztof Drynda, Chairman, Polish Investment & Trade Agency PAIH; Jerzy Kwieciński, Vice Chairman, Bank Pekao SA. 49. Mariusz Wawer, Radek Kaskiewicz, 3M Poland; Marzena Drela. 50. Anita Kowalska AmCham, Izabela Morawska, Coca-Cola Poland Services. 51. Mariusz Wawer, Radek Kaskiewicz. 52. Michał Kurtyka, Minister of Climate and Environment; Paweł Gruza, KGHM. 53. Jolanta Jaworska; Kamil Wyszowski, President, UN Global Compact Network. 54. Małgorzata Jarońska-Jedynak, Secretary of State, Ministry of Development Funds and Regional Policy. 55. Dominika Fox-Matulewicz; Marijn Pijenburg, Global Business Development Executive, IBM. 56. Jolanta Jaworska; Michał Kurtyka; Radek Kaskiewicz; Marzena Drela; Małgorzata Jarońska-Jedynak; Mariusz Wawer; Krzysztof Drynda; Anna Grabowska, Żabka; Anna Borys Karwacka, McDonald's.

*AmCham Diner
at the Kapracz Economic Forum 2021*

Amplifying THE MESSAGE

The Media Corner of the AmCham Diner served as a platform for sharing the voice of the American business community beyond the ranks of the forum. Interviews

with business leaders, politicians and other stakeholders held by Discovery/TVN journalist Jan Niedziałek were a vital part of the live coverage of the forum deliv-

ered by the station. They are now available on the AmCham Poland YouTube channel.



57. Adrian Kurowski, Country Manager, Visa. 58. Georgette Mosbacher, former US Ambassador to Poland. 59. Marzena Drela; Jan Niedziałek. 60. Natalia Stroe, Country Manager Poland and Baltics, Coca-Cola Poland Services. 61. Michał Konowrocki, Head of Poland, Uber CEE. 62. Marian Sepesi, Regional Director Operations, Amazon. 63. Radek Kaskiewicz, Managing Director East Europe Region, 3M Poland. 64. Tomasz Suchański, CEO, Żabka. 65. Marzena Drela, AmCham Operations Director. 66. Michał Jaszczczyk, CEO, PepsiCo Poland. 67. Anna Borys-Karwacka, Corporate Relations Market Lead, McDonald's.

*AmCham meets the Partners of the AmCham Diner
held at the Kapracz Economic Forum 2021*

Celebrating SUCCESS

In November, AmCham held a meeting with the AmCham Diner Partners at the 2021 Economic

Forum in Karpacz to express gratitude for their support in facilitating the dialogue that the American

business community held with politicians and lawmakers at Poland's largest economic confer-

ence this year. The venue was the Marriott Warsaw Hotel.



1. Tadeusz Kościński, Minister of Finance. 2. Maciej Miłkowski, Undersecretary of State, Ministry of Health. 3. Bix Aliu, Charge d'Affaires, US Embassy. 4. Tony Housh, AmCham Chairman (Northrop Grumman). 5. Dominika Fox-Matulewicz, AmCham Executive Director; Bix Aliu; Tony Housh; Tadeusz Kościński; Marzena Drela, AmCham Operations Director. 6. Małgorzata Skonieczna, Michał Jaszczczyk, PepsiCo; Katarzyna Obuchowicz, Brown Forman; Tony Housh; Tadeusz Kościński. 7. Natalia Stroe, Izabela Morawska, Coca-Cola Poland Services, Marzena Drela; Paweł Zegarłowicz, Citi Handlowy. 8. Marzena Drela; Jacek Graliński, Co-Chair AmCham Pharma Committee, (Amgen); Maciej Miłkowski; Andrzej Dziukała, Co-Chair AmCham Pharma Committee (Janssen Cilag); Grzegorz Byszewski, Co-Chair AmCham Pharma Committee (Roche), Jolanta Jaworska, AmCham Vice Chair (IBM). 9. Tadeusz Kościński; Iwona Kruk, Michał Konowrocki, Uber. 10. Maciej Miłkowski; Łukasz Kowalski, MSL. 11. Tony Housh; Tadeusz Kościński.

AmCham meets the Partners of the AmCham Diner held at the Karpacz Economic Forum 2021

MONTHLY MEETING
September



12



13



14



15



16



17



18



19

12. The meeting in progress. 13. Natalia Stroe, Coca-Cola Poland Services; Cindy Biggs, Senior Commercial Officer, US Embassy. 14. Jagoda Zakrzewska, Google, Eliza Przeździecka, AmCham. 15. Tadeusz Kościński; Konrad Ślusarczyk, Visa; Dominika Fox-Matulewicz; Krystian Ochęcki, Mastercard. 16. Tony Housh; Robert Grader AmCham Board Member, (Marriott Warsaw Hotel); Agnieszka Jankowska, AmCham Board Member (GE). 17. Mariusz Paszkiel, Marriott Warsaw Hotel, Anita Kowalska, AmCham. 18. Tony Housh; Radek Kaskiewicz, 3M Poland. 19. Cindy Biggs; Dominika Fox-Matulewicz; Mateusz Jurczyk, AmCham Kraków.

CONVERGENCE, PLEASE!

A QUALITY STAKEHOLDER DIALOGUE BETWEEN BUSINESS AND POLICYMAKERS IS A MUST FOR THE POLISH ECONOMY TO CONTINUE TO BE COMPETITIVE

Challenges and opportunities for business in 2021 and beyond were on the agenda of the AmCham Monthly Meeting in September with guest speakers Paweł Gruza, Vice President of the copper extraction conglomerate KGHM Polska Miedź; Krzysztof Krawczyk, Partners and Head of Poland at CVC Capital Partners; Mariusz Mielczarek, Public Policy Regional Director for CEE at Amazon; and Konrad Ślusarczyk, Head of Government Engagement for CEE at Visa. Tony Housh, AmCham Chairman (Northrop Grumman), moderated the discussion. The speakers discussed issues that prevailed stakeholders' dialogue at the Economic Forum in Karpacz—the largest international gathering of the representatives of business and government held in Poland this year—that had been held a few days before the meeting. They offered an insider's view of the hot topics discussed at the forum between business and government vis-a-vis a range of common economic challenges.

BUMPY ROAD AHEAD

All speakers noted that, following the initial phase of the pandemic and its related lockdowns, the Polish economy recovered exceptionally well and has been through "a frenzy of a consumption spree," as Krzysztof Krawczyk put it. However, the problem, which was frequently voiced by business representatives at the Economic Forum in Karpacz, is that there are underlying factors in the economy that pose big question marks on how long the upward trend will continue. According to Dr. Eliza Przeździecka, the Polish economy has been on the growth path with industrial output and the GDP on the rise this year. In addition, Dr. Przeździecka said that according to the Polish Investment and Trade Agency PAIH, by the end of 2021, foreign investors will allocate approximately USD 20 billion, which is a record-high number for one year so far. However, there are industries that face challenges. The manufacturing and industrial sector have seen interruptions to their processes due to disruption in their supply chains. "There is a lot of uncertainty coming from long-distance partners," Dr. Przeździecka said.

Another problem discussed at the Karpacz Economic Forum and singled out by Dr. Przeździecka is the growing inflation rate. She said that it had taken everybody by surprise. The last time Poland saw a major inflation rate was in the early 1990s, and since then, most people have forgotten about how damaging a big inflation rate may be to the economy. Dr. Przeździecka said that from the social standpoint, there are good aspects of inflation, including that consumers spend more and raise their living standards. Yet, growing inflation is nothing that the private sector is looking forward to seeing in the long term. Inevitably, it will translate into rising wages and other problems, such as companies that are "starting to lose control over the cost side of their provisions," said Krzysztof Krawczyk. Meanwhile, the labor market has signaled worrying signs as the pool of available workforce in the country is dwindling. "Without access to a fresh labor force, companies can not grow," Dr. Przeździecka said. Apart from purely economic issues, there are concerns that stem from policy issues. The rising costs of energy—yet another issue that had been widely discussed at the Economic Forum in Karpacz—will have an impact on economic growth in the years to come. It is an undesirable—and yet, as the government claims, unavoidable—a side-effect of the transition of the Polish power sector from coal to renewable energy sources. All speakers agreed that the transition requires huge investment outlays, which inevitably means involvement of the private sector in it as well.

BEYOND SHEER ECONOMICS

Another policy issue that will impact the economy is the government reform—the so-called New Deal—which aims to reinvigorate the economy and generate higher tax revenues for the state coffers. As Mariusz Mielczarek noted, some of the consequences of the New Deal will be higher labor costs and taxation. Seeing all the challenges on the horizon, the business sector is looking for ways to mitigate the risks ahead. One way to go ahead would be to increase productivity vis-a-vis

the anticipated growing cost of labor. This, however, is capital intensive and makes a good strategy when the economy is growing and the inflation rate is low, Dr. Przeździecka said. All speakers agreed that the best way to go forward in this respect for Poland to keep its competitiveness in the CEE would be to have a more liberal migration law in place so the business community could tap into the labor force in Ukraine and other neighboring countries east of Poland. With the workforce availability came the question whether Poland puts enough effort to have new generations of people with the kind of education the economy requires. "It is the question of the workforce and the quality of engineers and education," said Paweł Gruza. Making the Polish economy more efficient is also about digitizing it to allow companies, even small ones, to make headway in cyberspace and e-commerce. Meanwhile, it seems that policymakers try to regulate e-commerce to a higher degree than traditional trade. One side effect of it is that it thwarts the application of new technologies in e-commerce, Konrad Ślusarczyk said. He went on to say that while policymakers seem to be eager to digitize the economy, they are short on ideas on how to do it in practice and are reluctant to learn from the private sector. "There is an area of mist between the public and private sectors," Ślusarczyk said, adding that a level of cooperation still needs to be developed between the two sectors, "a new collaborative culture, similar to that in the US." All speakers agreed that as the Polish economy has entered a pivotal era of transformation, solutions ensuring convergence for business are a must. With its know-how, global experience and scalable solutions, the international business community in Poland should be treated as the public sector's equal partner in working out convergent solutions to ensure the competitiveness of the Polish economy in the years to come. And perhaps it also needs to be more audacious in its dialogue with the policymakers. "The quality of the dialogue has been good, but the agenda has not progressed for the last year," said Krzysztof Krawczyk. "There is a sense of accountability on the part of the private sector—that companies know what they need to continue to keep the economy growing. Hopefully, at some point, it will be recognized that business is an important stakeholder in the economic development."

MONTHLY MEETING

October

PARTNERING NEEDS

THERE IS A LOT THAT BUSINESSES CAN GAIN FOR THEIR RESEARCH AND DEVELOPMENT BY COLLABORATING WITH THE ŁRN.

Issues surrounding cooperation between business and science were on the agenda of the AmCham Monthly Meeting in October with guest speaker Piotr Dardziński, President of the Łukasiewicz Research Network.

According to the speaker, with over 8,000 staff and 32 research institutes located in 12 cities across Poland, the ŁRN is Europe's third-largest scientific research network and the leading R&D market player in Central and Eastern Europe.

Science centers of the network are located in 12 cities: Gliwice, Katowice, Kędzierzyn-Koźle, Kraków, Łódź, Poznań, Puławy, Radom, Toruń, Wrocław, Warszawa and Zabrze.

A BETTER FUTURE

The network's research agenda is set by the government's Strategy For Responsible Development, which is a long-term plan to help the Polish economy move up the economic value chain by creating innovation-based production and consumption. The four main areas of the ŁRN's activities are Sustainable Economy and Energy (including such research areas as bio-economy, new materials and materials recovery, transmission and storage of energy, building materials with low energy consumption offering high insulation, sustainable cultivation processes, green chemistry), Digital Transformation (automation and robotics, artificial intelligence, intelligent services for citizens and businesses, data science, digital networking and the Internet of Things and Augmented Reality), Smart and Clean Mobility (intelligent and green logistics infrastructure, autonomous mobility and network solu-

tions, structural materials and processes, structural materials and processes for design and production in transportation, cargo drones, clean aviation, electromobility), and Healthy Living (innovations in healthcare, new medical products and therapies, innovations in medical technology).

The 1,553 projects currently under development by the network have a budget of approximately USD 1.9 billion. As much as 11 percent of the total is set for supporting R&D in the area of healthy living; 12 percent in digital transformation; 19 percent in smart and clean mobility; and 58 percent in sustainable economy and energy.

COOPERATION WITH US CLIENTS

Following the formation of the ŁRN in April 2019, Steve Ciesinski, former president of SRI International—a nonprofit, independent research institute formerly known as Stanford Research Institute—said that the establishment of the ŁRN was "a fantastic and incredibly topical event in today's world. Today's world is networked and this is what the Łukasiewicz is all about. It is about turning research into products that consumers and businesses are demanding." Since then, the ŁRN has developed a wide range of links with US-based R&D centers as well as commercial companies. At present, there are several US firms on its client roster. For a number of them, the center carries out tests of vehicles from the US market, developed for various specific services, including defense and state security. For General Electric, the center is engaged in aircraft engine development and the development of new aircraft structures. For the

Jet Propulsion Laboratory (California Institute of Technology), the ŁRN develops a space program. It is implemented jointly by the center in collaboration with the Polish National Agency for Academic Exchange. In collaboration with the Ohio State University, the Łukasiewicz works on developing new 3D printing solutions as well as hybrid propulsion for aerospace. In turn, in cooperation with the Nevada Institute for Autonomous Systems and Unmanned Aircraft Systems, the ŁRN is engaged in developing new technologies and running tests of unmanned flying systems.

VALUE-ADDED

"We can do simple projects and very complicated projects," Piotr Dardziński said in his presentation, underlining that, owing to its vast array of science institutes and different types of laboratories, the network is capable of executing multidisciplinary projects.

The ŁRN also has huge potential in terms of backup experts. If experts engaged in a project for some reason can not continue working on it, it is not a problem, the speaker said. "We are such a big organization that we can always find somebody else to put into that job," he said. Once the ŁRN enters into collaboration with a company, the network's experts may contribute to allocating the financing for the project on the agenda. "We look for the money to finance the R&D projects we do for our business partners," Piotr Dardziński said. "We may resort not only to financing agencies in Poland but across the European Union as well."

tutes, Dardziński developed a modern concept for their modus operandi and was behind the creation of the Łukasiewicz Research Network. Dardziński graduated with honors from the Faculty of Law and Administration at the Jagiellonian University and studied at the University of Hamburg. He defended his Ph.D. in economic doctrines at the Jagiellonian University. He was a scholarship holder at the University of Fribourg in Switzerland. He is a graduate of the prestigious managerial program at IESE Business School in Barcelona and lectures at the Jagiellonian University.

PIOTR DARDZIŃSKI



Former Secretary of State at the Ministry for Science and Higher Education responsible for the science-business cooperation. He supervised a number of government agencies, including the National Center for Research and Development, The National Agency for Academic Exchange, and the National Information Processing Institute. As a member of the Government Innovation Team, he supervised inter-ministerial works on the first and second Innovation Acts that brought about a major reform to commercialize science. As the Government's Plenipotentiary for the reform of research insti-

FOCUS

Book review

THE SURVIVAL OF THE MORALLY STRONGEST

JOHN LYNCH MAKES ENTREPRENEURSHIP 'THRILLING' IN *THE ARK*

By Andrew Kureth, Senior Editor, Geopolitical Intelligence Services (Vaduz, Liechtenstein)

Hostile takeovers, mergers and acquisitions, office technology security, accounting practices and business law might sound like a course load for an MBA, but John Lynch, a new American author based in Poland, has made them the backbone of his debut thriller, *The Ark*—to considerable success. Lynch manages to keep these subjects simple, even making them exciting, all while weaving them into a story of international intrigue that whisks the reader from San Juan, Puerto Rico, to the shadows of the Chernobyl reactor in Ukraine, via New York, Philadelphia, Bucharest, Kiev and most of all, Poland.

The plot of *The Ark* follows Truman Chase, an American with Polish roots who moves back to the old country to save the family clothing business in Kraków. Within 10 years, he has built a successful fashion company poised to take Europe by storm. Unfortunately, his firm TruCo has taken on a loan from the Ark—the novel's namesake—an unscrupulous hedge fund led by playboy businessman Fernando Tomasi. As Tomasi's poor investment decisions threaten to take down the fund, he becomes increasingly desperate, going to any lengths to squeeze as much as he can out of the last profitable debtor he has left—TruCo.

Tomasi's shady dealings finally catch the attention of American authorities, and in particular, Faith Osborne, a rising FBI agent with a specialty in financial crimes. The multilingual, brave and brilliant Osborne chases Tomasi

across the world as his efforts to enrich himself become more frantic and underhanded.

COURAGE AND PERSEVERANCE

The Ark is based on Lynch's own 30-year-long experiences as an entrepreneur in Poland, and his intimate familiarity with the struggles of businesspeople in the region is evident in the detail and lucidity with which he writes about them.

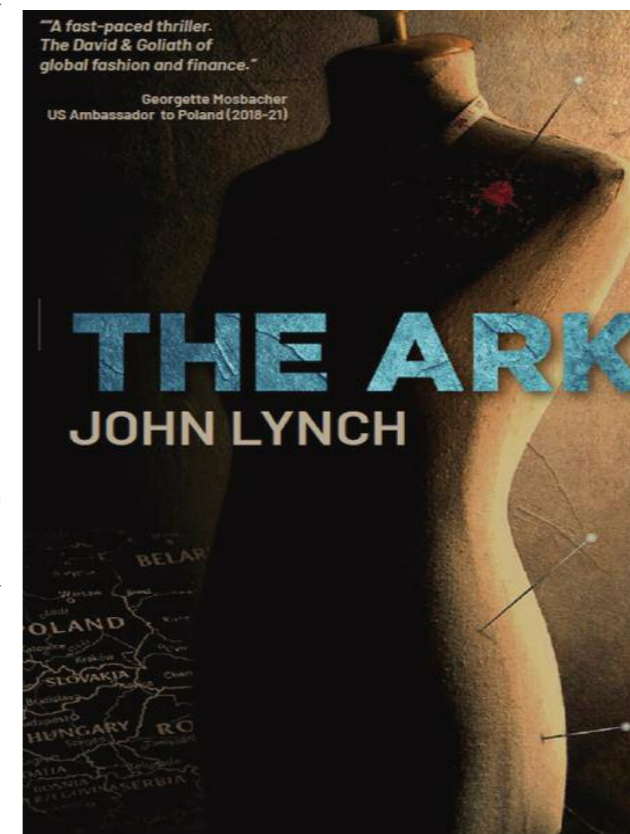
Readers will find themselves cheering for the small, innovative underdog against its larger European competitors and groaning at the sluggishness and inefficiency of the Polish judicial system. Can the company's workers be trusted? Will they remain loyal to their foreign boss, even as the business's fortunes hit rock bottom? Ultimately, *The Ark* is the story of how the greed and ambition of others threaten to destroy years of hard work,

just as those efforts teeter on the cusp of success—and how "keeping the faith" in oneself and one's values can help overcome any obstacle.

To achieve his dramatic, fast-paced narrative, Lynch does lean on clichés that some readers might find off-putting. Nearly every Ukrainian we meet is corrupt, and most Latin Americans outspoken and aggressive. There is a variety of character in the Poles portrayed, but most in Chase's company support their brave American leader. And though the book is replete with strong women, we do not meet a single female entrepreneur outside of perhaps Chase's fiancée Karolina, who we are told "runs her own design studio."

It is likely that readers will overlook these minor foibles in this first-time author's gripping novel, as the plot's action races forward and they are drawn more and more toward rooting for Chase, whose dreams hang in the balance until the very last page. In

his story of courage and perseverance, Lynch's belief in human decency and virtue shines through.



Out now! *The Ark* was originally published in English, but the Polish-language edition, entitled *Arka*, is available from Ringier Axel Springer Polska.

FOCUS

US investment in the CEE



Demographics matter: Poland's society is relatively young compared to western economies and other CEE countries.

LOOKING AT THE BASICS

POLAND IS THE MOST PREFERRED LOCATION IN CENTRAL AND EASTERN EUROPE FOR AMERICAN INVESTORS

Business fundamentals that prospective investors take into account when analyzing the best locations for their next investments in Central and Eastern Europe were on the agenda of a webinar held in September by business consultancy TMG Group in cooperation with AmCham, commercial real estate advisory JLL, and the Polish Trade and Investment Agency (PAIH). The speakers were Tony Housh, AmCham Chairman (Northrop Grumman); Dr. Eliza Przeździecka, AmCham Chief Economist; Iwona Chojnowska-Haponik and Rafał Szajewski, Directors at the Location Consulting Team JLL; Ondrej Mihočka, Managing Director at TMF Group Slovakia; Michał Janecki, Lawyer, and Adrian Nowak, Senior Lawyer at TMF

Group; and Monika Kisiel, Manager PAIH. Monika Wójcik, Business Development Director at TMF Group, moderated the discussion.

PICTURE IN DATA

In his introductory notes, Tony Housh said that as of 2020, American investors which are represented by AmCham, had USD 55 billion active assets in the country and nearly 300,000 direct employees. They continue to be very successful in Poland, using it not only as a market which gives access to big consumer groups as well as a well-educated and highly qualified labor force but a place from which they access other markets in the European Union, because "Poland serves as a hub for the

wider EMEA region as well."

This view was substantiated in quantitative terms by Dr. Eliza Przeździecka, who said that over the years, Poland had attracted more than 25 percent of all US capital investment in the CEE region. So far, Poland has attracted 100 percent of US capital investment in the food production industry in the CEE. In turn, 95 percent of US investment in finance and insurance in the CEE went to Poland, and 67 percent in professional and technical services.

The attractiveness of Poland for US companies also reflects their capital expenditures into greenfield projects. This year, as much as 46 percent of capital expenditures of American companies into green-



Tony Housh said that, as of 2020, American investors, which are represented by AmCham, had USD 55 billion active assets in the country and nearly 300,000 direct employees.

field projects in the CEE went to Poland. With this, Poland has become home to 38 percent of all new jobs created by US investors in the CEE in greenfield schemes. Over the last decade, US companies in Poland increased the number of jobs they had created by 150 percent. The main areas of growth were the sectors of business services and manufacturing.

WORKFORCE SENSITIVE

Rafał Szajewski noted that with a total of 350,000 jobs at present in Poland in the sector of business services, it is the single-largest sector of the economy in the country when it comes to the number of jobs created by foreign capital.

According to Szajewski, when looking at where to park their investment, investors, first and foremost, search for such locations that offer economic and political stability. "All investors want to make sure that the money they invested will not be burned during political turmoils and the likes," Szajewski said.

In this category, Poland is at the top of the list of the best potential locations in the CEE, owing to the robust economy of the country and its stable political system. Labor availability is also one of the top criteria for investors. They need to know the potential for growth in the location they choose. They do not only look at the aspects governing the physical expansion of their factories and facilities but look at the potential to recruit a new labor force that they will need to add new functions and manufacturing lines. In this category, Poland leads not only in the CEE but the entire EU. The country's society is fairly

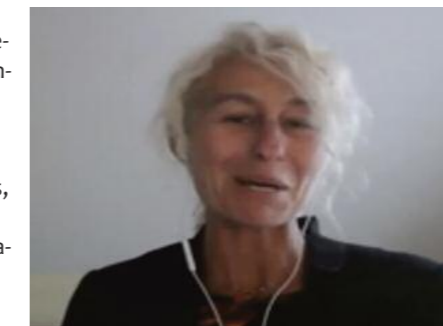


Dr. Eliza Przeździecka said that the high attractiveness of Poland for US companies also reflects their capital expenditures into greenfield projects.

young as compared to western economies and other CEE countries. According to Szajewski, this is "the main reason why Poland makes it to the top of three most desired locations in the CEE, no matter what other criteria are taken into account."

Looking for the best locations for their projects, investors also consider site-specific factors, such as technical requirements and infrastructure, land ownership issues, and the potential for cooperation with nearby businesses. This criterion is important, for instance, in driving the growth of technology clusters and business parks.

Investor incentives are never a major drive for investment, but every investor welcomes them, noted Iwona Chojnowska-Haponik. The scope incentives depend on the region and are determined by EU regulations that aim to bring investors' capital across the union to areas with high unemployment rates that need economic revival. There are such regions in Poland where investors may get the



Iwona Chojnowska-Haponik said that there are regions in Poland where investors may get the highest levels of incentives available across the entire EU.

highest levels of incentives available to investors in the entire EU, of up to 50 percent of capital expenditures that their investment projects require.

MOMENTARY LAPSE OF CONFIDENCE

The regulatory environment for business is also critical for prospective investors. "Often, nitty-gritty details may damage complex business plans, and it is our role to flag the areas which may be more complex than the other ones," Rafał Szajewski noted.

In this category, Poland lost its allure for investors in 2020, as evidenced by the 2021 TMF Group Global Complexity Index issued a few weeks back, which covered real-life answers about the complexities of doing business in particular jurisdictions across the world.

The most difficult countries are those that require companies to communicate with multiple authorities on multiple levels. On the other side of the spectrum are countries with the least complex practices—those offering advanced digital communication with the authorities, open commu-

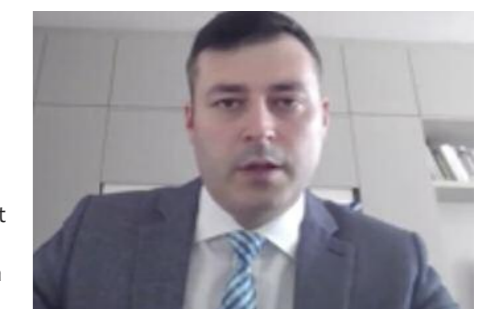


According to **Rafał Szajewski**, when looking at where to channel their investment, investors, first and foremost, search for locations that offer economic and political stability.

nication channels, and single point of contact.

The TMF Group survey revealed that Poland is an extremely complex country to do business in—the 10th most complex in the world—following France, Brazil, Mexico, Columbia, Turkey, Indonesia, Argentina, Bolivia, and Costa Rica. Ondrej Mihočka noted that in 2019, Poland had been the 34th most complex country in the TMF Group ranking. He explained, however, that the reason why Poland moved up 13 levels as the most complex country for business was, paradoxically, because of the pro-business reforms introduced in 2019 by the government, especially in the area of digitization of communications between business and authorities. "Unfortunately, the reform overlapped with the pandemic and turned into a bit chaotic process," Mihočka said. In addition, at that time, the government had introduced its anti-crisis shield program, which many companies found to be complex to enter, requiring extensive red-tape and including harsh financial penalties for companies that submitted applications with errors. Simply put, as the complexity of operating business in the country had increased, it was reflected in the feedback offered by the surveyed executives.

But now, the situation has stabilized, Mihočka noted. "Poland is a sure candidate to be one of the least complex countries for business, which future business surveys are bound to reveal in the following years," he concluded.



Ondrej Mihočka said that in time, Poland is a sure candidate to be one of the least complex countries for business in the world.

Company Profile: Amazon Web Services

DEVELOPING NEW LEARNING CURVES

AmCham.pl Quarterly
Editor Tomasz Ćwiok talks with Przemysław Szuder, General Manager for CEE at Amazon Web Services, about how IT changes business reality.

What can you tell us about the range of products that AWS offers to businesses?

AWS has more services and more features within those services than any other cloud provider. We support any cloud workload and now have over 200 fully-featured services. They include computing, storage, databases, networking, analytics, robotics, machine learning, artificial intelligence, the Internet of Things, mobile, security, hybrid, virtual and augmented reality, media, application development, deployment, and management. We offer the greatest breadth of services as well as the deepest functionality within those services.

What are the benefits for AWS clients regarding such aspects as functionality, reliability, and cybersecurity?

There are several significant benefits companies have by moving to the AWS cloud. The first is agility. AWS lets customers quickly spin up resources as they need them, deploying hundreds or even thousands of servers in minutes. This means that our customers can quickly develop and roll out new applications, and their teams can experiment and innovate quickly and frequently. If an experiment fails, they can always de-provision those resources without risk. The second benefit is cost savings. If you look at how people end up moving to the cloud, almost always, the conversation starts ending up being

cost. AWS allows customers to trade capital expense for variable expense and only pay for IT as they consume it. And, the variable expense is much lower than what customers can do for themselves because of AWS's economies of scale. For example, Brainly, founded in 2009, the world's largest online learning community, uniting more than 350 million users, managed to reduce their cloud server costs by up to 60 percent by utilizing different AWS functionalities like spot instances and reservations. The third benefit is flexibility. Customers used to order much more than they needed to ensure they had enough capacity to handle their business operations at peak levels. With us, they can provision the amount of resources that they actually need, knowing that they can instantly scale up or down along with the needs of their business, which also reduces cost and improves the customer's ability to meet their user's demands. The fourth benefit is that the cloud allows customers to innovate faster. They can focus their IT resources on developing applications that differentiate their business and transform customer experiences instead of focusing on managing infrastructure and data centers. The fifth benefit is that AWS enables customers to deploy globally in minutes. AWS has the concept of a region, which is a physical location around the world where we cluster data centers.



We call each group of logical data centers an Availability Zone. Using AWS, customers can leverage 81 Availability Zones across 25 geographic regions worldwide. And we are expanding our Availability Zones. The sixth benefit is security. Regardless of where a request for customer content comes from, we are vigilant about our customers' privacy. We have implemented sophisticated technical and physical measures to prevent unauthorized access.

What is the AWS policy to stay ahead of the bad guys?

We have a world-class team of security experts monitoring our systems 24/7 to protect customer content. AWS regularly achieves third-party validation for thousands of global compliance requirements that we continually monitor to help our clients meet security and compliance standards for finance, retail, healthcare, government, and beyond. Companies using AWS can get on-demand access to more

than 2,500 security controls by using AWS Artifact—our automated compliance reporting tool available in the AWS Management Console. With multiple functionalities offered by AWS, companies can reduce risk and enable scale by using our activity monitoring services that detect configuration changes and security events across their system, even integrating our services with their existing solutions to simplify their operations and compliance reporting. Customers can protect their AWS accounts and workloads by detecting threats and monitoring for compliance using checks based on industry standards. The Amazon GuardDuty and AWS Security Hub work in tandem to provide continuous visibility, compliance, and detection of threats for AWS accounts and workloads. The Amazon GuardDuty is a threat detection service that continuously monitors for malicious activity and unauthorized behavior to protect customers' AWS accounts and workloads. In turn, the

AWS Security Hub gives customers a comprehensive view of their high-priority security alerts and security posture across their AWS accounts.

What is the potential of new technologies, such as machine learning and artificial intelligence, for business?

In the fullness of time, virtually every application will be infused with machine learning and artificial intelligence. Most customers we work with are very interested in ML. Tens of thousands of customers are running ML on our servers, spurred by the broad adoption of the Amazon SageMaker. While there has been an incredible amount of progress made in organizations using ML and AI, we are still at the relative beginning. We have about twice as much ML being run on AWS than you will find anywhere else, yet it is really early for most organizations. The Poland-based Nethone provides AI-based fraud prevention solutions that minimize chargebacks and errors. Its ML-based software protects online transactions from fraud and account takeover by analyzing 5,500 attributes of each user session in real-time without impacting customers' user experience. Nethone uses a vast range of AWS services to run its ML-based fraud prevention toolset, which helps the company increase the speed and quality of product development. ML tools are especially valuable for organizations overloaded with data. For many, the legacy systems they use cannot manage the increased workloads as a result of their growth, creating longer processing speeds and overwhelmed operation systems. Add to it dozens of data scientists all trying to access information from those systems at the same time, and it becomes difficult for those systems to manage that workload, let alone use that information in a proactive manner. However, once data is migrated to the cloud, information can be automatically linked and analyzed in real-time, creating additional value for the organization.

The pandemic made many companies migrate to the cloud. More than a year into the pandemic, what can you tell us about the trends in technology application by the newcomers?

It is impossible not to mention here the implementation of AI-based services, which gained popularity during

the pandemic. More and more companies are building business solutions that dynamically use AI and ML solutions. Polish startups and Polish software producers have embraced these solutions. Also, have old-fashioned companies and traditional industries. We believe cloud adoption will continue to be a trend, as shown by the results of our study *Reinventing Without a Roadmap*, which we conducted among business and IT decision-makers in Europe. As much as 46 percent of them said their organization had had difficulties adapting over the past year. At the same time, two-thirds said that they were now more flexible and confident in their future. Business leaders told us that the cloud has helped them change direction and innovate—65 percent of the sample—while 63 percent said that the cloud helped them meet changes in demand. As much as 60 percent managed to cut costs using the cloud. Almost two-thirds of the sample told us that their organizations were using the new cloud services during the pandemic. Forty percent of the businesses we talked to were using the cloud for the first time!

What are the barriers for companies in Poland to use computer cloud solutions?

In most cases, the biggest challenges are not technical. They are about people and culture. First, the senior leadership team needs to be aligned and truly committed that they want to move to the cloud. They need to set clear direction and expectations for the rest of the organization to get everyone on the same page to work towards the same goal. If the leadership team does not make the move a priority and creates a culture of change in the company, other people can obstruct the process easily. The most successful organizations started with an aggressive, top-down goal that forced the organization to move faster to the cloud than it would have organically. Another important aspect is that organizations must be trained on the cloud to become comfortable with the concepts. We train hundreds of thousands of people a year for that purpose. And last, sometimes we find that organizations can get paralyzed if they can not figure out how to move every last workload. There is no need to boil

the ocean. So we often work with organizations to do a portfolio analysis to assess each application and build a plan for what to move short-term, medium-term, and long-term, down to the last item. This helps organizations get the benefits of the cloud for many of their applications much more quickly, and it really helps inform how they move the rest.

The public sector in Poland has been slow in embracing the cloud. Why is that in your opinion?

As mentioned, the challenge of moving to the cloud is usually cultural. Public sector organizations often have a hierarchical structure that can slow down the decision-making process. However, year by year, the cloud is becoming more and more popular in Poland, and in many cases, this is the obvious choice. The pandemic also played a role here, forcing some organizations to change the way they operate and focus more on online channels and the use of modern technologies. The key to creating a company that operates on the basis of new technologies is to promote a culture of responsibility and an innovation mindset in the company. All organizations are making a change toward reinventing their businesses, including in the public sector. To support our public sector customers, AWS has also achieved public sector certifications as well as certifications for healthcare, life sciences, medical devices, automotive, and aerospace.

AWS must have a strong demand for IT engineers and software developers in Poland. Do you find enough talent?

Poland has an incredible talent pool of highly skilled and creative IT professionals. For many years, AWS has supported the Polish technology community by bringing programs like the AWS Academy and AWS Educate to the country. The AWS Academy provides higher education institutions with a free, ready-to-teach cloud computing curriculum that prepares students to pursue industry-recognized certifications and in-demand cloud jobs. Our curriculum helps educators stay at the forefront of AWS Cloud innovation so that they can equip students with the skills they need to get hired in one of the fastest-growing industries. The AWS Academy includes multiple higher universities in

Poland: AGH University of Science and Technology, Gdansk University of Technology, Polish-Japanese Academy of Information Technology, Wrocław University of Science and Technology, Warsaw School of Computer Science, and many others.

In turn, the AWS Educate is a comprehensive program for students from age 16 and older, which helps to develop knowledge and skills about AWS cloud computing in order to accelerate cloud-related learning. Same as the AWS Academy, the Educate is becoming an important part of multiple institutions in Poland, which want to educate students in the latest technologies.

What are the AWS development plans in Poland beyond 2021?

We are in Poland because our customers asked us to be here. We have recently announced the opening of three new AWS offices in CEE, namely Athens, Bucharest, and Prague. The offices will help us serve our partners and customers locally. We have seen a real appetite from organizations across the CEE to get started with AWS in order to innovate, lower their IT costs, and grow their organizations around the world. Our plan is to continue to support our customers and innovate on their behalf just like we did before—looking at what customers need.

A good example of a service that we launched as a direct result of many customers asking for it is the Amazon Redshift in February of 2013. It is a fast, fully managed, petabyte-scale data warehouse service that makes it simple and cost-effective to efficiently analyze data using existing business intelligence tools. In its first year, the Redshift quickly became the fastest-growing service in AWS history, holding that title until we announced the Amazon Aurora a year later.

A product that we launched with a seed of a customer idea was the AWS Lambda. It lets customers upload some code through the AWS Management Console, set triggers, and when those triggers are met, it runs that code. Customers do not need to think about the servers, clusters, auto-scaling, or administration. It is all done for them.

Company Profile: Archer Daniels Midland

INVESTING IN VITAL NEEDS



AmCham.pl Quarterly Editor Tomasz Ćwiok talks with **Jacek Obstalecki**, Country Manager Poland and EMEA Oilseeds Finance Director at Archer Daniels Midland (ADM), about the company's growth strategies in Poland and its global challenges.

What can you tell us about the company's milestones in business development in Poland?

ADM started its business in Poland with the acquisition of the refinery plant in Szamotuly in 1998. In 2005, we formed a joint-venture with Cefetra to acquire Baltic Grain Terminal in Gdynia. The second decade of the 21st century marked a fast growth of ADM presence in Poland. We created EOL—a joint-venture with Prices, from the Mitsubishi Group, for the introduction of bottled oil—the Olej Wielkopolski brand. We bought the Czernin crushing plant and the Malbork biodiesel plant and extended out grain trading through integration with AC Toepfer. In line with the ADM growth strategy regarding the nutrition business, we acquired WILD locations in Mrągowo for the segment of human nutrition and Provit in Kutno for animal nutrition. Most recently, we expanded our presence in the animal nutrition segment through the introduction of nutritional solutions from Wisium in Poland. In the meantime, we built our Global

Business Services hub in Poznań, which provides a wide range of corporate services to ADM entities throughout the EMEA region.

What is driving the market today?

Leaving aside short-term market disruptions that ADM navigates through as a global company, I would focus on mid-and-long term impacts that are vital for us all. In ADM, we believe that the health of our natural resources is critical to our future and that our commitment to sustainable practices will result in a stronger ADM and a better world. ADM is committed to meeting its environmental obligations while pursuing ways to continually improve our efforts in both protecting the environment and enhancing environmental sustainability. Our environmental and social responsibility is at the forefront of our actions. I can not miss the opportunity to mention that the October issue of the Fortune magazine ranked ADM in the 27th position on the list of 50 companies that are changing the world through their positive social impact.

We were recognized for our leadership and innovation in proteins, as well as for our commitment to advancing a more sustainable food system.

How much does ADM depend on Polish farmers?

At ADM, we say that we connect harvest to home, so yes, Polish farmers are crucial stakeholders in our business in Poland. Our biggest operations in Poland, the rapeseed crush and refinery plants in Szamotuly and Czernin, are sourcing the majority of the raw material for our production from Polish farming. In fact, ADM absorbs a sizeable portion of rapeseed crop production in the country. We see the agricultural sector in Poland is very agile and adapting to opportunities that are offered by the common EU market and new technological developments.

The pandemic disrupted global supply chains in many sectors. I wonder if the crisis has had any impact on the ADM business in Poland...

Although we observed some local disruptions, the pandemic has had no major impact on our business performance in Poland. We continued delivering essential products to the market in an uninterrupted manner.

How about the company's operations as such?

For our employees who needed to appear daily at the workplace to assure the continuity of production and supply chain, we made available rapid COVID-19 testing and all possible measures to limit the risk of getting infected. We have implemented all the regulations suggested by the epidemiological authorities, including daily wellness checks for employees and safety measures. Our colleagues who could work remotely did it instantly. Our IT department did a tremendous job in enabling efficient distance-working on very short notice.

Apart from the Poland's office in Poznań, and the ADM Shared Services Center, the company runs pro-

duction facilities in Malbork, Szamotuly, Czernin, Sława Wielkopolska, and Chróścina. With this, ADM generates a significant demand for the right talent to manage the business. Do you face any issues with recruiting the right people to manage all your properties?

We employ in Poland now nearly 700 people, excluding our joint ventures in Baltic Grain Terminal and EOL. Indeed, the right talent base is core to our success and we put a lot of effort and attention into proper talent acquisition. ADM is a great place to work for individuals who wish to pursue an international career, as well as those who look for an interesting and engaging job locally. The opportunities that ADM offers help us source right talent. Before the pandemic, we were engaging in a number of programs to extend our talent sourcing, such as job fairs and close cooperation with universities, including lectures by ADM professionals and study trips to our facilities for students. In Szamotuly, we cooperate with the Technical Secondary School that prepares young people to work in the industry. We offer them opportunities to complete internship programs at our plant. We offer scholarships for the best students. When the pandemic situation improves, we will restart many more such programs aimed at students.

In many business surveys, Poland is ranked high as a country offering a friendly environment for foreign investors. Would you agree with that?

In my mind, it is a bit relative. We need clear rules and predictability to support the growth and development of businesses in Poland. The country enjoys the advantages of the EU membership, which sets many ground rules also for foreign investors, so you can call it relatively friendly. Furthermore, there are various innovation hubs in Poland, as well as a well-educated workforce with a creative mindset and foreign language skills. Many foreign investors who did business in Poland

stayed here. And last but not least, geographical location. Poland is at the heart of Europe with access to the sea—a fact that should not be underestimated.

I wonder if there are any legal or regulatory issues governing food production, shipping or trade, that disrupt or impede business in Poland?

I do not recognize any specific regulatory issues that would particularly impede our business. I recognize an improvement in the VAT fraud preventions introduced in recent years in Poland. A positive development was also the implementation of laws and regulations enforcing compliance in various aspects, which created a more stable, fair business environment. Also, the regulations governing food safety help ensure a certain level of quality of goods applicable to all producers or traders, which, in turn, fosters fair competition and makes goods produced in Poland generally eligible for export to the EU member states and other countries.

Being a part of a global company headquartered in the US, I wonder what kind of support ADM receives in Poland from its parent company?

Indeed, as a part of a global company, the ADM businesses in Poland, as well as in other countries where ADM has a presence, enjoy a number of advantages. I would summarize them under one general headline: access to information. Our businesses in Poland are supported in many fields that are difficult to underestimate, including regional and global coordination of trade, market intel, technological support to optimize our operations, legal and tax support, centralized procurement, and so on. Being a part of a global company facilitates access to financing capital, helping our local management teams focus their attention on business. What is also worth noting and not always coming naturally to mind when thinking about support is the

company's culture and core values. ADM has a very strong culture of compliance, social responsibility, safety and integrity, which is efficiently cascaded to every single, even the smallest operation around the world. That definitely helps us build our brand and a sustainable presence in various markets.

What can you say about ADM's further investment plans in Poland?

We recently strengthened our Wisium premix commercial team in Poland by acquiring a part of a premix animal nutrition business, including its client base. In the near future, we will be optimizing our nutrition business in Poland, which is in line with our global company objectives. We are continuously improving our operations through investments in efficiency and monitoring the market for opportunities of growth that match our global strategy and our capital returns objectives. We always remain open to considering the so-called bolt-on acquisition opportunities.

What are the main challenges for the company globally and in Poland in the coming years?

Let me just mention one that is of a specific focus to ADM in recent years—our sustainability journey. We are committed to conducting business globally in a sustainable manner and have set ourselves very precise goals, summarized in the so-called Strive35 program. By 2035, our goal is to achieve a 25 percent reduction in absolute greenhouse gas emissions, a 15 percent reduction in energy intensity, a 10 percent reduction in water intensity, and have a 90 percent diverted waste from landfills, all compared to 2019 baseline figures. Additionally, we aim to eliminate 100 percent of deforestation across all our supply chains by 2030. These goals pose specific and real challenges to get achieved but are crucial for our strategy of responsibly serving the vital needs of the global population.

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Company Profile: Citi Handlowy

HEADING FOR THE INTERNATIONAL EDGE



AmCham.pl Quarterly Editor Tomasz Ćwiok talks with **Elżbieta Czetwertyńska**, Citi Handlowy CEO and Citi Country Officer Poland, about how the bank supports the growth of its clients.

Citi Handlowy is one of the largest commercial banks in Poland. What is its specialty and how can it facilitate business growth for commercial entities?

Citi Handlowy is indeed one of the largest and oldest commercial banks in Poland, and our focus is on helping international companies, which invest in this country, as well as Polish companies expanding abroad.

Given the international network of Citi, Citi Handlowy specializes in servicing international financial needs, ensuring that our clients have a common financial platform in the different markets in which they operate, which helps them in terms of controls as well as secures efficient financial operations. We also have international financial products that we bring to Poland, whether in

the investment banking space or transactional banking.

Many companies in Poland are increasingly looking out for export and investment opportunities abroad. As a part of the Citigroup global structure—present in over 100 countries worldwide—I wonder what kind of assistance can Citi Handlowy offer to such companies?

Our expertise is very thorough. Our investment banking unit can advise companies on strategic investments and partnerships. With respect to exports, our trade, finance, and transactional banking businesses are our core strengths. Facilitating trade flows in the world is something that we specialize in, whether it is trade services, trade finance, or just helping companies with their fi-

nancial needs in each country in which they operate.

Poland is home to many technology startups. What is the bank's approach to this sector in Poland when it comes to assisting them in their business expansion?

Actually, e-commerce and digital are two of our focus areas in the corporate and commercial bank segments. We have been working very closely with technology companies that are in the e-commerce space, all the way from helping them manage their accounts to advising them on IPOs. We have a special unit in our commercial bank dedicated to e-commerce and the digital sector. Our clients in this segment are already operating successfully, but we want to help them expand internationally. This is something that we can do thanks to our global network and our digital know-how.

What are the main challenges to the banking sector globally?

I think that the most obvious challenge was the pandemic. It was a test that the banking sector passed very well, proving it can operate in a hybrid or remote model with resilience. The pandemic accelerated two trends, in my opinion: one is digital transformation, and the other is environmental awareness. The technological development puts more pressure on banks to be even more innovative, but at the same time makes management of cyber risk much more important. As far as climate and green transformation is concerned, banks, regulators, and industries are working on this as a priority. The challenge is huge, but financial institutions have the opportunity to play a leading role in helping drive the transition to a net-zero global economy.

On the very first day in her post, Citi CEO Jane Fraser committed to net zero financed greenhouse gas emissions by 2050. From 2014 to 2019, Citi financed and facilitated EUR 164 billion in low-carbon solutions and

last year committed to completing an additional EUR 250 billion in environmental transactions by 2025. This shows how important this issue is for Citi. We want to make sure that we have our own environmental, social and governance—ESG—program in Poland and that we support our clients through this transformation. This will be part of our new three-year strategy, which we are working on right now and plan to announce at the beginning of next year.

Technological development has had a pivotal impact on many sectors of the economy, including the banking sector. FinTech companies deliver new solutions. What are the trends and how is Citi Handlowy reacting to them?

Indeed, technological developments have been advancing fast and, as I mentioned before, the pandemic has accelerated that transformation. I think many fintechs are providing very good solutions for their clients. We have seen many of them become large companies in record-short time. For banks, the idea is not to compete with technological companies but to complement them and work together. This is what makes the most sense. Fintechs undoubtedly can provide customers with great solutions, and if we fail to acknowledge what they do, they could replace us to some extent. I think a partnership is the right way forward.

In Citi Handlowy, we are very focused on digital solutions for corporate and consumer clients to improve their digital experience and ensure that we are ahead of the game with the current digital trends.

What is driving the growth of the banking and financial sectors in Poland?

The driving growth in the banking— or generally financial—sector in Poland in the future will be the post-pandemic economic rebound

and, therefore, the need for banks to support that growth. We expect the Polish economy to grow at approximately 5 percent per annum in the next two years. When the economy grows, companies expand and the banking sector grows as well. The increase in interest rates should have a positive impact on the banks going forward.

We must remember, though, that the banking system faces many challenges. One of the most obvious is the Swiss franc mortgages issue that may have a big impact on banks' capitals and, therefore, their ability to lend and support economic growth. There are also regulatory challenges. Many regulatory changes are introduced with a short time for their implementation, and banks must make sure that they are complying with these changes, both in Poland and in the European Union. I also believe that a long-term challenge for the industry is the ability to attract and retain talent. Today, after the pandemic, many employees expect a remote model. However, the banking sector is highly regulated and has less flexibility in that respect than, for instance, technology companies. So we have to be smart about how we attract and retain talent in this industry. Another challenge is ESG, which I already touched upon in the question above.

Apart from Citi Handlowy, Citi also has a big solutions center operation in Poland. Tell us about Citi's strategy for Poland.

Citi Handlowy is indeed the commercial bank that I am heading, but apart from this, Citi has a big footprint in the shared service center sector. This is an important operation, with specialized processes, employing almost 6,000 people in Poland and with expansion plans. It is Citi's biggest solutions center in Europe, providing services to many different Citi locations around the world. It is so highly regarded because of the quality of talent that

we have in Poland—educated, talented, hard-working, with language skills. Poland has been a very important market for Citi in Europe and globally.

Being at the helm of Citi Handlowy gives you a powerful opportunity to influence the organization. With your extensive professional experience in many markets and cultures in Europe and South America, I wonder what impact you intend to make on the bank's management and its culture in Poland?

My leadership philosophy is simple—I believe that you have to have the right and motivated team. If you have employees who are happy, they serve our clients well, but if our clients are happy doing business with us, that translates to results. But it all starts with the people. That is the leadership philosophy that I have always firmly believed in, and that is exactly what I am bringing to Citi Handlowy. I want to make sure that we have an inclusive culture, with a great team on board, who is motivated and who considers Citi Handlowy as the best place to work in Poland. I do indeed have experience in different markets in Europe and South America, and in each market, I learned something new and had different crises to deal with. Before coming to Poland, I was in Switzerland. After having worked in Ecuador, Colombia, the Dominican Republic, that was the one country where I did not think I would face a crisis. Yet, the pandemic happened and I had my crisis in Switzerland as well.

During my career, I have gotten to know people from different backgrounds, clients who have different needs and expectations. And I want to bring all that to Citi Handlowy, which is a diverse organization that serves clients with international needs, where we can really have that international edge in what we do, how we do it, and who we do it with.

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Company Profile: Coca-Cola Poland Services

MAKING THE WORLD A BETTER PLACE



AmCham.pl Quarterly Editor Tomasz Ćwiok talks with **Natalia Stroe**, Country Manager Poland & Baltics, Coca-Cola Poland Services, about how the company has become CSR-driven.

2020 must have been difficult for the company, with the pandemic related lockdowns that changed consumer attitudes impacted the HoReCa business, of which Coca-

Cola is a major supplier. Add to it the introduction of the sugar tax in Poland in January... What are the lessons that the company has learned in that time?

Covid-19 has really put us to the test. The situation in which we found ourselves and our business partners allowed us to see what is important. We are a system of con-

nected vessels and we are stronger together. First and foremost, 2020 proved that, thanks to our employees and our partners, we can weather the

storm, and that we are strong and resilient enough to adapt quickly to unforeseen and difficult circumstances, and continue to operate. It also showed that, together with our bottling partner Coca-Cola HBC Polska, we were able to not only help those fighting against the Covid-19 pandemic, but also support our HoReCa partners through the lockdowns and make their reopening easier, if only by a bit. We constantly consulted with them discussing the greatest needs of the industry to be able to quickly implement adequate solutions. In the first weeks of the pandemic, we managed to create an immediate aid plan to support the maintenance of the financial liquidity in HoReCa outlets, among others, by extending the payment period. The next stage of the program focused on stocking, discounts, aid packages and marketing support. We created a dedicated platform for making advertisements for our HoReCa partners and we covered the costs of their promotion. We also offered educational opportunities, including the HoReCa Academy with legal webinars, training on finance, operational activities and social media.

In total, during the pandemic, the Coca-Cola System allocated almost PLN 5 million to the support programs for the catering industry, and assigned additional PLN 2.8 million to assist medical services. As for the sugar tax, it has been indeed an impactful challenge to our industry. Its introduction made the entire soft drinks market fall by 14 percent while the prices of beverages increased by over 40 percent on average.

Certainly, the sugar tax significantly influenced our plans and pricing policy. However, we did not change our strategy to develop the offer of low- and no-sugar beverages, adopted long before the introduction of the sugar tax. It is worth noting that the sugar tax should be called beverage tax because it also covers beverages that do not contain sugar but have low calorie sweeteners. Considering the legislator's goal, the taxation of sweeteners surprised us. After all, low-calorie drinks are an alternative to those sweetened with sugar. It is worth noting that we are ac-

tively working to reduce the sugar content of our products. Coca-Cola, as a member of the European Organization of Soft Drinks Producers—the UNESDA—together with other UNESDA-affiliated companies, reduced the average content of added sugars by 12 percent in 2000–2015, and by another 14.6 percent in 2015–2019. Now we are making a new commitment to reduce sugar in our products by another 10 percent by 2025. In spite of the pandemic and our preparations to the adoption of the sugar tax, I am proud that sustainability and responsibility for the environment and communities remained our priorities. All in all, despite the headwinds, we have been able to achieve our goals. We have a strong team, solid partners and we do not lose focus on areas where it is most needed.

Coca-Cola prioritizes sustainability along several ecological criteria, such as water quality, waste management and package recycling but also takes into account social and economic aspects of sustainable development. What can you tell us about Coca-Cola flagship programs in Poland in each of these categories?

The Coca-Cola Company's purpose is simple, yet meaningful: Refresh the world. Make a difference. With this, we are focusing not only on providing consumers with drinks they love, but we do it in a sustainable way. Our priority is to minimize the impact on the environment. Our World Without Waste program is all about closing the packaging loop, meaning that by 2030 we want to collect and recycle one bottle or can for every one we sell. Globally, we are committed to introducing packaging that will be 100-percent recyclable by 2025. In Poland, already 100 percent of our packaging can be recycled. And while the recycling rate amounts to approximately 25 percent in Poland, in our case, in 2020, every second package of our products was collected and recycled.

Additionally, our goal is to use at least 50-percent recycled material in our packages by 2030. This bold ambition will not be possible without an effective collection system.

Therefore, we have been actively participating in the efforts of the coalition of the Polish Federation of Food Producers and the Employers' Union of Browary Polskie to create and promote an efficient and consumer-friendly deposit return scheme in our country.

We are also constantly working on making our packaging more sustainable. For example, our bottling partner, Coca-Cola HBC Polska, managed to reduce the plastic use in secondary packaging by 40 percent. In addition, we introduced innovative cardboard packaging, KeelClip, for our four- and sixpacks of cans.

We continue to educate consumers about the importance of selective waste collection and recycling because to close the cycle we need to have everybody engaged including our company, our partners, our competition and our consumers. For this reason, we have provided selected municipalities with 18 recycling machines, which help collect and process packaging and show that a PET bottle is a valuable raw material.

Apart from recycling, we focus on water. Water is one of the most important resources to nature, communities and to us all. Globally, we were able to replenish 177 percent of the water we used to produce our drinks in 2020. Additionally, we have undertaken many efforts to reduce water usage in our production processes. For example, the production plants in Radzymin and Staniątki have their own sewage treatment plants that treat up to 1,600 cubic meters of water per day. Thanks to the responsible extraction of water and the use of a closed circuit in the Tylicz factory we save from 50 to even 120 thousand liters of water as it is reused for processing, such as cooling the machines.

We always care for the communities we operate in. Apart from the voluntary work done by our and our bottler's employees, we help professionally inactive people, who are the hidden potential of the Polish economy, to enter the labour market. We believe that investment in human capital is as important as investment in infrastructure. Over the last four years, as many as 700,000 women and 400,000 young people

have benefited from activation programs that had been co-created and supported by us.

To reduce further its footprint on the environment Coca-Cola has been developing a paper bottle. What can you tell us about this program?

As already mentioned, our World Without Waste program does not only concentrate on collection and recycling. An important part of our focus is developing innovative sustainable packaging. Such an example is the paper bottle prototype, which we were able to test this year. This summer we released 2,000 paper bottles in Hungary with our plant-based drink, AdeZ. We measure how the packaging performs and how consumers respond to the new format.

The new paper bottle prototype is being developed as part of a partnership between scientists at Coca-Cola's Brussels Research and Development laboratories and the Paper Bottle Company—Paboco—which is a Danish startup supported by ALPLA and BillerudKorsnäs, in cooperation with Carlsberg, L'Oréal and the Absolut Company.

The technology developed by Paboco is designed to create 100-percent recyclable bottles made of sustainably sourced wood with a bio-based material barrier suitable for liquids including carbonated and still drinks, beauty products and others. The current prototype consists of a paper shell with a recyclable plastic lining and cap. Ultimately, the objective of the project is to develop a bottle without the plastic liner that can be recycled as paper. We are excited about the potential for the technology and the opportunity to learn from this trial. The paper bottle is not the only innovation we are working on. Last month in Germany, our sustainable packaging journey crossed a major milestone with the unveiling of the first-ever beverage bottle made from 100-percent plant-based plastic, excluding the cap and label. The breakthrough technologies used to produce the prototype are ready for commercial scale, more than a decade after the debut of our PlantBottle as the world's first recyclable PET plastic bottle made with up to 30-percent plant-based material. A

Company Profile: Coca-Cola Poland Services

limited run of approximately 900 prototype bottles was produced. We have ambitious goals and we are not slowing down in pursuing them.

Talking about reducing the footprint on the environment, I wonder what can you tell us about Coca-Cola's footprint on the Polish economy?

Coca-Cola is a global brand with American capital, but at the same time it is a Polish company strongly rooted in Poland. We produce in Poland as much as 92 percent drinks that we sell in Poland. We employ Polish workforce and cooperate with Polish suppliers. We invest not only in our development in Poland but also in social programs. We pay taxes in Poland. For us, Poland has enormous investment potential, and we want to continue to develop in the country.

Coca-Cola is permanently rooted in the Polish economy and we have strong data behind this statement. Suppose that Coca-Cola disappeared from Poland... It would mean the loss of 1,800 jobs currently provided by the Coca-Cola System companies. What is more, our business supports additional 12,600 jobs in other businesses. In other words, thanks to one job in the Coca-Cola ecosystem, almost six jobs are created in other industries, including in transport, agriculture and trade.

The same applies to taxes. In 2020, we paid almost PLN 379 million in taxes. 90 percent of it went to the central budget, and 10 percent to the budgets of local governments. Each PLN 1 of income generated by the Coca-Cola companies in Poland translates into nearly PLN 3.8 of income in the economy. For each PLN 1 spent on Coca-Cola drinks, PLN 0.71 remains in Poland. In the last decade, our investments in Poland exceeded PLN 1 billion.

We are proud of our contribution to the Polish economy, and we hope to continue to develop further together with our partners in Poland.

With your vast experience with Coca-Cola in many markets, how do you compare Poland to other countries when it comes to regulatory and legal environments for investors?

Poland is a large, diverse, and very competitive market. But it also has enormous development potential, among others, because Polish consumers are curious about new products.

The condition of the Polish economy has a direct impact on enterprises operating in Poland. But there can be no strong economy without the presence of stable com-



panies. To be able to run a business, plan long-term investments and, above all, develop in a sustainable manner, considering ecological and social aspects, we need a predictable and stable regulatory environment. This is something that Poland is lacking. When the law changes often and quickly, a dialogue between the lawmakers and impacted stakeholders is crucial. This is the area where there is still some room for improvement. Thankfully, with such dialogue platforms as AmCham we hope to have

even more opportunities for discussions between businesses and the government.

As many other companies, we have international experience. We are looking for the most effective solutions, including deposit return schemes allowing the introduction of circular economy. We look at the tax system. This does not mean that we want to protect ourselves from paying more taxes. We expect a fair taxation system and such that encourages development instead of discriminate and inhibit it. We are open to dialogue because we believe that only through dialogue and

the debates about key issues that have a direct impact on the economy. One of them is the introduction of a deposit return scheme system in Poland.

We also know the assumptions of the Polish New Deal and we want to be able to contribute to the development of the Polish economy, which is why we count on the cooperation between entrepreneurs and investors and the legislator. Second, it is the further support for local communities. As I said, in Poland we participate in programs benefiting local communities. We engage in areas where we can share knowledge, experience and competences, and also be present where we can be most helpful. We believe that together we can do more for the common good. Our goal is to create added value for communities in which we operate. Our social investments focus on initiating environmental projects, creating a positive impact on society and the economy, improving the quality of life and the development of young people.

Third, we want to deliver our environmental commitments. Coca-Cola's global ambition, expressed through the World Without Waste program, pursues strategic goals in waste collection and recycling, packaging design and partnerships. In Poland, together with other producers, we will be further promoting the idea of creating a deposit return scheme system that is consumer-friendly, and such that makes the selective waste collection more effective, enabling the reuse of more packaging and closing the packaging loop.

And finally, we are constantly working on the recipes of our drinks to increase our offer of sugar-free products. We are also working on new and innovative products to continue to refresh the world while making a difference.

Which Coca-Cola's plans and goals do you see as priority in Poland?

First of all, one of our top priorities is engaging in creating a stable regulatory environment. The Polish market has enormous investment potential but companies need regulatory stability. We participate in

We are constantly working on the recipes of our drinks to increase our offer of sugar-free products. We are also working on new and innovative products to continue to refresh the world while making a difference.

Company Profile: Lynka

WORKING ACROSS THE OCEAN

AmCham.pl Quarterly Editor Tomasz Ćwiok talks with John Lynch, President, Lynka, and Ira Neaman, CEO, Vantage Apparel, following the acquisition of a controlling stake in Lynka by Vantage, about the pros of the deal and the post-pandemic market prospects.



The largest apparel decorator in the US formed a partnership with the leading full-service European corporate apparel supplier based in Poland. What was the strategic goal for Vantage Apparel in this transaction? ...and for Lynka?

Ira Neaman: Vantage Apparel's strategic goal was to align with a similar company in the EU that shared the same philosophy and culture regarding quality apparel decoration and serviced the same types of customers.

John Lynch: Lynka was looking for a partner that could expand our global reach and bring some real value-added to the table. Vantage has a wonderful collection of corporate, promotional and golf wear that Lynka will distribute exclusively in Europe starting in 2022.

What kind of synergies do you plan to see between the two teams? For instance, any "technology transfers" from the US to Poland or the other way round?

Ira: We will certainly share best practices. One of the benefits of the

fusion is shared languages of English and Polish within our production management and technology teams. Lynka will also begin distributing core Vantage Apparel products to its and our common customer bases.

John: Our teams are already working together: IT, Production, Marketing. We expect more over time. Vantage has some great online solutions that we will adopt at Lynka for sure.

Both companies are known for their award-winning embellishment. Vantage has won the ASI Distributor Choice Award for decorated apparel more than a dozen times. Lynka has won more awards for decoration than any other European apparel company. Does that mean that the two companies have similar corporate cultures or just that they are top players?

Ira: Vantage has a core strength in embroidery and screen printing. Lynka has a core strength in Direct-to-Garment printing as well as embroidery and screen printing. Both companies share a culture of pride

and excellence. And both companies will run independently yet share information and create unified solutions for customers who have global branding and uniform needs.

John: On corporate culture, this was one of the main things that attracted me to Vantage as a future partner. This is an often overlooked aspect in many deals but is often the reason why deals fail. In our case, Lynka and Vantage are very much aligned culturally. Ira and I both identified that early on.

What is driving the market of corporate apparel globally today?

Ira: Global brands look for quality and unified messaging. This is what the union of Vantage and Lynka will bring to the marketplace.

John: Especially after the pandemic, there is a trend in the workplace for more comfortable clothing. Uniforms for retailers, restaurants, and even warehouses and logistics companies can no longer be heavy, unattractive workwear. They need to be comfortable, trendy, and even cool. And long-lasting.

What are the challenges for the industry in the years to come as you see them?

Ira: Challenges will be working within the regulatory environments of both the US and the EU. Efficient supply chains will also be critical.

John: In Europe, the same issues are true. Additionally, there is a strong trend towards eco-friendly and sustainable products and manufacturing. Both Vantage and Lynka are leading the way in this area which positions us well for future shifts in demand.

What are your plans beyond 2021?

Ira: Continued growth and more joint connectivity with customers as everyone will be looking to consolidate their supply chains.

John: We are experiencing unprecedented growth right now in Q4 2021 across Poland and Europe. We have huge room for growth and are going to work hard together with Vantage to establish ourselves as a true leader across Europe.

Company Profile: The British School Warsaw

KNOWLEDGE THROUGH DIVERSITY



AmCham.pl Quarterly Editor Tomasz Ćwiok talks with **Sue Hill**, Principal of The British School Warsaw, about what makes the school special for students and their parents.

Established in 1992, The British School Warsaw is now a highly-recognized brand among international educational institutions in the city offering primary and secondary level education. What, according to you, makes the school so different?

The British School Warsaw is one of over 70 schools, spanning 30 countries worldwide which are part of Nord Anglia Education. This is beneficial to our children as they belong to a growing family of more than 69,000 fellow students, providing them with incomparable opportunities to learn from and collaborate through our Global Campus. In addition, our global network includes world-class collaborations with UNICEF, MIT and the Juilliard School, which offers possibilities for our students to participate in a plethora of experiences such as the

Model United Nations in New York. They also participate in impactful service opportunities in Tanzania and are inspired by the challenges in Science, Technology, Engineering, Arts and Maths—STEAM—devised in collaboration with the Massachusetts Institute of Technology. These experiences really help us deliver our vision which is to shape a generation of creative and resilient global citizens—a generation that will change our world for the better.

At The British School Warsaw, we aim to achieve the overall vision through delivering an inclusive, rigorous and high-quality British education. The curriculum we choose to follow is not unique to our school—in fact, the British curriculum is the choice for many schools worldwide, and for those international families traveling

from country to country, this provides continuity as it offers a clear set of objectives and expectations for each phase of education and a clear progression of skills. We deliver the objectives through the IPC—International Primary Curriculum—which adds a global dimension through the choice of topics taught and with the additional objectives aimed at developing an international mindset. I am proud to say that we were very successful in our accreditation inspection last year—The British School Warsaw is the only fully accredited IPC school in Poland.

In turn, in our secondary school, students follow a two-year program of study for IGCSE external exams, which are taken at Year 11. Then they enter the International Baccalaureate Diploma Program—IBDP—rather

than studying for A-Levels. Some may question our choice of the IBDP; however, we are confident that this curriculum is superior as a preparation for university, or indeed for life in an ever-changing world. Many studies have shown that IBDP students are better able than their peers to cope with demanding workloads, manage their time and meet the expectations placed on them. Elements such as the Extended Essay, the CAS program—Creativity, Activity, Service—and TOK—Theory of Knowledge—allow our students to develop more intellectually through a more diverse academic curriculum while engaging in voluntary, creative or physically challenging projects.

I have to add that every year, our IGCSE and IB Diploma results exceed world averages. We are very proud of

our academic results, especially as we are a non-selective school. We support every child to love learning and achieve more than they may have thought possible in the pursuit of excellence.

One final point is to mention our focus on well-being. The opening of our TBSW Community Garden last year has been a very successful initiative. Over the past term, we have enjoyed several bountiful crops of vegetables, including potatoes, pumpkins, onions, leeks, swedes and beetroots. Our special hens also lay tasty free-range eggs. These have been grown and cared for by students across the school and have received extra special care from our after-school Gardening Club and Eco Teams. While this area lends itself to outdoor learning linked to areas such as Science, History, English and Sustainability, it has also been a fabulous area for sitting among the sunflowers and wildflowers to de-stress!

With over 70 nationalities being represented among the school students, I wonder about parent integration programs that the schools has to help parents and children settle down fast and integrate with the community?

At The British School Warsaw, we embody respect, spark curiosity and celebrate diversity. Our internationally diverse community really does create a wonderful opportunity to celebrate what makes us different as well as discover what we all have in common. When a family joins our school, they are welcomed by our admissions team and introductions are made with relevant members of our community. Class teachers, Year Leaders, students and parents are all on-hand to help the family to integrate; a child may be offered a buddy to shadow for the first few days; a teacher will make contact with the family through a face-to-face meeting and email letters are sent to let parents know how their child is settling. Our Parent-Teacher Association, a dynamic, friendly and diverse group of parents and teachers, will also connect with new families, sharing a helpful information booklet about life in Poland and inviting them to social events and coffee mornings.

One event we hold in the first half-term of the year is our International Week. This helps families of all nationalities to feel part of our community.

The delicious food fair, which is organized by our PTA, is a fabulous way for parents to work together and get to know each other while preparing and tasting some of the best dishes from around the world!

You have just launched the Parent Academy—a program offering parenting and education advice for the school's community. What triggered such a program?

When parents and teachers work in partnership, this can be of enormous benefit to learning and student well-being. Sometimes, teachers deliver a curriculum without explaining why we make certain choices, why we teach through specific methodologies, or how theories about how children learn impact our practice. We developed Parents in Partnership sessions a number of years ago to share some of our rationale and expertise. Curriculum sessions about the International Baccalaureate Diploma Programme and IPC, our early years foundation stage play-based curriculum and STEAM activities have been well attended. More general sessions have also been held on well-being and university applications have received positive feedback. Parents in Partnership have morphed into our Parent Academy, which is now a shared set of workshop presentations available for our global NAE parent community. This is beneficial to our community as we are increasingly able to access sessions delivered by other professionals across our network.

How much emphasis does the TBSW put on technical education?

Educators are always seeking to develop skills that will equip our young learners for life in a future world, often known as 21st-century skills. Adaptability, flexibility, resilience, collaboration and creativity are all considered to be important skills that we promote throughout our curriculum. Our use of technologies is also important, indeed this allowed us to carry on during our virtual school experience in a way that would have been impossible even ten years ago. During the course of a week at The British School Warsaw, it is possible to see the use of laptops, iPads, drones, devices such as Sphera, which teach basic programming skills, digital photography and data logging devices, to name but a few. These technologies

enable learners to research, record, communicate and create in a way that can take learning forward and personalize progress.

Nord Anglia Education is fully immersed in a project with the aim of becoming the world's leading technology-enabled education organization. The project, known as DNA—Digital Nord Anglia—is in the development phase and will incorporate technology to further enhance learning. Bespoke lessons are currently being created for our teachers, by our teachers. The role of artificial intelligence in educational technology is being researched. We aspire to deliver fully interactive lessons which will provide ongoing data to help inform the next learning steps and set challenges for each individual child.

This is a very exciting project which we are looking forward to developing further while still promoting time away from a screen to provide time for essential collaboration and well-being.

Understanding the arts is also very important for growing a general understanding of the world. What can you tell us about this aspect of TBSW curricula?

Our curriculum for performing arts has been devised in collaboration with The Juilliard School, New York. Our professionals who teach Dance, Music and Drama at The British School Warsaw have all been trained by Juilliard alumni and many have benefited from visiting the school for on-site professional development. Staff and students benefit throughout the year from ongoing specialist sessions. Our students are continually challenged to be creative and so many opportunities for performances are presented, especially within Dance and Music.

The pandemic is very much a part of today's reality. How well is the school prepared to continue education in-house, minimizing the risk of transferring the virus?

Implementing best practices from Nord Anglia Education schools across Europe, The British School Warsaw has adapted our virtual school education and is ready to move seamlessly into online provision again should the need arise. If enforced school closure happens again this year, we will continue in our quest to make learning

fun while delivering the academic side of the curriculum. We found that a clear structure to the day is important; a welcome to the day at 8 am, 8:15 am start of lessons, and embedding time away from the screen for physical and creative activity. We are always trying to be creative and one particular success from last year was an optional family cookery session based on recipes from Ancient Rome.

In addition to our virtual school, our Nord Anglia Education Global Campus learning platform has proved to be an important resource. Children have been able to take part in a Virtual Science Fair drawing on creativity, as well as collaborating in forums about various impactful projects in our 'Social Impact with UNICEF' section. Flexibility has been seen as we have moved many of our regular global meet-ups to a virtual platform; the highly successful Virtual Musician of the Year contest and our Regional Model United Nations are good examples of this.

Despite our commendable virtual school provision, our priority is to remain open for as many weeks as possible. Over 80 percent of our secondary students have now been vaccinated and I believe this will help curtail the spread of the virus among these year groups. We are continuing to use our four separate school entrances specific to different year groups, with temperature checks at the door as the first level of safety. Introducing good hygiene practices, such as regular hand-washing, was facilitated by the installation of 68 sanitizers across the main campus and students are regularly reminded of the need for safety. Crucial too are the separate zones we have created, with class or year group 'bubbles' that do not mix, so if one pupil should test positive, the potential spread would be limited to their individual bubble. This makes it easier to trace potential contacts. Masks are worn by all secondary pupils and staff indoors. Windows are left ajar to ensure adequate ventilation, and desks were re-spaced across the classrooms, altering the appearance of our learning areas in order to distance students. This year we have re-introduced a limited provision of after-school activities while still retaining year group bubbles and are promoting local trips to outdoor venues within Poland.

Company Profile: InterContinental Warsaw

STRONGER TOGETHER



AmCham.pl Quarterly Editor Tomasz Ćwiok talks with **Britta Kutz**, Area General Manager, IHG Hotels & Resorts, InterContinental Warsaw, about how the five-star hotel segment of the hospitality industry is coping and its prospects for the future.

The tourism industry has been badly hit by the pandemic, especially international tourism. With vaccination programs in most countries, some travel rebound, but it is nowhere near pre-pandemic levels. Do you see signs of market recovery in the five-star hotel sector in individual tourism and how relevant it is for InterContinental Warsaw?

In Warsaw, we have been seeing signs of recovery since the summer months. First to return to growth, in July and August, was the domestic leisure travel as many families took the opportunity to explore Warsaw. This is a trend we saw all over Europe and in comparison to some other markets and hotels, we could see that InterContinental Warsaw was able to recover faster

and stronger, due to our very prominent location, attractive leisure proposition and excellent reputation.

How about the MICE sector?

There is a very strong wish to do meetings in person again, and we can clearly see this with the meeting demand rising. However, due to restrictions regarding the number

of guests per square meters hotels can admit, we can currently not facilitate meetings for the same number of guests like we used to before the pandemic. In addition, meeting planners are still very cautious about the possibility of stronger restrictions and therefore plan with a far shorter lead time than before. Most larger international companies are also not yet planning their

meetings abroad. With this, the demand we see is mostly domestic. So, to sum up the situation, I can say that we do see demand picking up from domestic companies, but group sizes and meetings are smaller than before and booked rather last minute.

How has the InterContinental offer evolved to embrace the new reality?

Our first priority is, of course, to offer our guests an environment in which they feel safe during these unprecedented times. We have implemented the IHG Way of Clean program across all our hotels, which gives our guests the assurance that, on top of all local hygiene requirements, we take additional care in regard to cleanliness and hygiene.

Of course, we offer full flexibility to our clients regarding cancellation policies for individual travelers as well as groups and we have set up our teams in a way to help our clients with short-term reservation requests.

What are the main challenges for five-star hotels currently, with the pandemic being under control but another wave lurking on the horizon?

Currently, the uncertainty of whether there will be additional restrictions or even a lockdown on our way in the winter months is quite a challenge as it makes planning our business very hard. In addition, we are facing a challenge to fill the open positions that we have now again with business returning. The hospitality business has, unfortunately, lost substantial talent over the pandemic. Employees were looking out for careers with a more certain future.

It is still unclear when the hotel industry will fully recover to business, but we have been able to retain a large number of our long-serving

employees, which is highly appreciated and very positively received by our regular clients.

Also, many hotels have dropped their rates in order to attract business, which, in light of increasing costs for hygiene measures and the current inflation, can simply not be the right way to move on.

Poland has been through several general lockdowns in the past but with no domestic travel restrictions. Those lockdowns had a negative impact on hotels. Industry professionals claimed that hotels, especially five-star hotels, had adopted strict safety standards and effective procedures to prevent the spread of the virus in their properties. Are you afraid the situation may repeat, or do you hope the epidemic authorizes will be more flexible?

That is certainly our hope. In many countries with higher vaccination rates, restrictions are no longer valid for vaccinated or negatively tested people, and the governments have already announced that there will be no additional restrictions implemented over the winter months. This gives the industries that are highly affected by potential pandemic restrictions much better planning security and will help to recover faster.

What would you say to epidemic authorities to advocate for five-star hotels to stay open when no travel restrictions are imposed domestically?

Five-star hotels have implemented a strict hygiene regiment in their hotels and have learned how to run the business safely under the current circumstances over the last two years. I personally do not know of one infection case that took place in a five-star hotel. These hotels all have strict hygiene plans mandated by the company. Of course, hotels need to be given the

authority to ensure that guests are vaccinated or tested and to put in place the pandemic safety measures, such as mask-wearing, keeping social distance and hand sanitizing throughout the hotels.

With your vast experience in the hospitality industry, including such tourism-intensive markets as Germany, the UK, Singapore, Thailand, and Indonesia, and now, as the top person at the InterContinental Warsaw, what personal impact do you intend to make on the people you work with?

I am a hotelier by passion. Even the last two very difficult years could not kill that flame. I personally think the hotel industry is one of the most fascinating, versatile and exciting industries that exist. In what other industry do you work with or for chefs, engineers, fitness trainers, CEOs, pop stars or royalties and at the same time get the opportunity to work all over the world? I have gained so much by working in different countries and cultures. I can only highly recommend this to everyone interested in broadening their horizons.

I want to pass this experience and passion on to the teams that I work with. I am a strong believer that it is also important to have fun while working on achieving our goals. The fun and passion naturally pass through the teams and are felt by our guests as well. I have always been given great opportunities to develop and grow. This is something I want to give back to the people I work with. There is something very rewarding about helping someone to see the potential that sits within them and supporting them to take full advantage of it.

Given the number of trade awards that the properties under your management had won, I wonder if there is some secret knowledge

that you may like to reveal a bit to the AQ readers of how to be successful in the hospitality industry?

It is a very well-known secret that works not just in the hospitality industry: I am simply doing what I love. In addition, I think that it helps to remain curious and flexible and, as mentioned before, keep your sense of humor.

In the end, these successes are always achieved through teamwork. I was very fortunate to have been working with amazing people and teams that shared my passion. Looking at the great team here at InterContinental Warsaw, I know that we can be very excited about the times ahead of us. Just now, we were awarded by the prestigious World Travel Awards as Poland's Leading Business Hotel and Poland's Leading Conference Hotel. I call that a great start!

I wonder what can you say about the plans that InterContinental Warsaw has for 2021 and beyond?

I am now in the final phase of the proverbial first 100 days, and while I can say that there are many ideas and also conversations about investment projects, it is currently too early to talk about them. So, all I can say for now is to watch this space and check our website at warszawa.intercontinental.com!

Looking at the great team here at InterContinental Warsaw, I know that we can be very excited about the times ahead of us. Just now, we were awarded by the prestigious World Travel Awards as Poland's Leading Business Hotel and Poland's Leading Conference Hotel. I call that a great start!

Company Profile: People Can Fly

AIMING FOR HIGH ALTITUDES

AmCham.pl Quarterly Editor Tomasz Ćwiok talks with **Sebastian Wojciechowski**, CEO of People Can Fly, a video game developer present in Poland, the UK, the US, and Canada, about the company's strategy to become one of the world's leading independent production studios.

What were the milestones in your company's march from a local industry pioneer to a major games developer operating on two continents?

From my point of view, as a person who got involved in People Can Fly when it was part of Epic Games, the moment when we became an independent studio again was the first major milestone. We had more of a co-development role inside Epic Games and it was not what we wanted for our team. We felt like doing our own thing. So, parting ways successfully and amicably was a big step forward. Then, I would say our next big milestone was securing a deal with a major publisher for our first game and delivering it successfully with the launch of *Outriders*. Going public and debuting on the Warsaw Stock Exchange was a tremendous milestone from the business side of things.

With its headquarters in Warsaw, the company operates in several locations, with studios in Newcastle,



the UK; New York; Montreal, a subsidiary in Canada, studios in Rzeszów and Łódź in Poland, and Chicago. What led you to acquire such a geographic spread?

The main reason for our expansion is access to a wider talent pool. Poland is a relatively small market when it comes to games—success-

ful, but without nearly as big a talent pool as the US or Canada. The bigger the talent pool you have, the greater the availability of well-seasoned developers. If you do AAA games—the tripe A is the industry classification used to mark major games producers and distributors—you need experienced people, espe-

cially when it comes to Unreal Engine, which is a key technology for us. Having many studios in different locations also allows us to develop more games simultaneously.

This year, People Can Fly acquired Game On, a Canadian studio, and earlier, the Illinois-based Phosphor Games, making a strong footprint on the gaming industry in those markets. What was the rationale behind the acquisitions?

Our aim is to grow both in Europe and in North America and we are always looking for talented dev teams. When we have the opportunity to include

one in our ranks, as was the case with the team from Phosphor Games, we work towards making it happen. With Game On, we had a history of successful cooperation, and they are really among the top companies in their area of expertise, working for the best AAA devel-

opment studios. Game On will support us with our products while also retaining its independence.

According to Statista.com, by the end of 2021, the value of the video gaming market in the US will surpass USD 65.49 billion, while globally, it will reach the value of USD 138 billion. What is driving the market?

Video games have always been a great form of entertainment, being a unique mix of technology and creativity, which enables a very personal engagement and brings people together in many different ways. Today, gaming is an important part of everyday life, a natural form of unwinding, competing, socializing over a shared passion. This was proven recently by the pandemic. More diversity and more platforms expanded the audience tremendously. The gaming industry is also constantly investing in new technologies, so it never loses its potential to innovate.

What can you tell us about the market growth potential in Poland?

Polish studios are dynamic, able to innovate and find a place for themselves within the global trends in the industry. So, the potential is pretty high. There is also the other side: a trend of overpricing the game dev studios, which is very visible when you take a closer look at their factual potential and what they have achieved so far. We have to remain realistic while evaluating the Polish gaming industry.

Developing video games is a very intellectual property-intensive business that comprises the input of many creative talents, including software engineers, technology creators, but also art people such as composers and visual designers.

From the business perspective, I wonder what type of management culture it requires to be successful? Management in our industry re-

quires a bit more open approach than just a stiff hierarchy. As you said, this is an intense, creative business. Game creators need a more personal touch and the right mixture of freedom and proper feedback. At People Can Fly, we focus on the kind of management that allows people in different departments to have a degree of flexibility and independence in how they approach their tasks and expand their skill set. It is very important to provide this space—even when you are growing quickly as a company, even when it becomes a bit more corporate—because such an environment allows our Aviators to feel their personal impact on the final product.

How do you see the future of the video gaming industry in the years to come? What are the most critical aspects of its development?

The most crucial component will be the ability to cater to different audiences. We have diverse groups of gamers with very specific needs and tastes. There is much more you can do by exploring the way in which they interact with the product. When it comes to other factors, technology is always an important one. We need to keep up with new technology and the producers of hardware who are constantly adding new solutions to be able to bring something new to the table. In addition, lots of industry focus has to be put into training future developers. We need to constantly promote careers in gaming to fulfill the industry's ambitions.

From the perspective of a business person active in many markets, do you think Poland offers a good business environment for startups given such aspects as legal, IT infrastructure, access to the right talent, financing?

There surely is a willingness to invest in innovation, and we have both, human and technological, resources in Poland that should be a

strong foundation for anyone with a good idea for a startup. That said, I have to add that the legal side is a bit more complicated issue. There is room for improvement in terms of creating an environment that is truly friendly to entrepreneurs. Many regulations lack precision or are implemented in a hurry. We still do not know the impact of the so-called Polish Deal, a new government strategy to lift the economy. But new tax incentives and financial stimuli for the IT sector would be more than welcome, not to mention a more liberal law governing the employment of foreigners in Poland.

What are the company's plans for 2021 and beyond?

Currently, we have three projects that we are working on: Project Gemini with Square Enix, Project Dagger with Take-Two Interactive, and our self-published title, which we recently announced. As per our strategy update, we are also gearing up to produce high-end AA games in addition to our AAA plans and explore new genres. We also intend to grow our company further with the acquisitions of more teams or studios. We intend to be a world-leading independent studio, releasing one game a year from 2024 onwards.

Is there any Holy Grail for the video game industry—a formula for how to be successful that you could reveal?

Well, if there were any surefire formulas, anyone could build a gaming empire. But more seriously, I think the key is doing your specific thing, forging your brand based on unique qualities you have built with your team over time. Find a good spot for yourself in the industry's landscape, but also never miss a good opportunity to diversify. And most of all, make great games!

To be successful in this business, the key is doing your specific thing, forging your brand based on unique qualities you have built with your team over time. Find a good spot for yourself in the industry's landscape, but also never miss a good opportunity to diversify. And most of all, make great games!

Company Profile: SEC Newgate CEE

THINK COMMUNICATIONS



AmCham.pl Quarterly Editor Tomasz Ćwiok talks with **Sebastian Hejnowski**, CEO of SEC Newgate Central and Eastern Europe, about what drives the PR market and how the agency is filling in the essential gaps.

SEC Newgate was founded in 2019 through a merger between global communications firms SEC and Porta, the parent company of award-winning Newgate Communi-

cations. SEC Newgate entered Poland this year. What events led to this? Central and Eastern Europe continues to be a region of dynamic

growth in terms of Public Relations and Public Affairs and there is a limited number of agencies that can service clients across these countries. My experience has mostly fo-

cused on creating a network of professionals that tackle communications problems. I teamed up with Zofia Bugajna-Kasdepke, my longtime business partner in MSL, and

Joanna Poniatowska, who previously worked at *Vogue Poland* and TVN. We started a local business, but quickly realized that many of our clients require a global approach, so we began looking for an international network with a foothold both in Europe and the US. That is when SEC Newgate came into the picture. They partnered with us and secured a controlling stake in our newly-established company. We launched our office in Warsaw back in March of this year and started servicing the clients across the CEE.

What services do you offer?

We have started off with a team of 20 Public Affairs, PR and Creative professionals. Our areas of expertise are Public Affairs and Lobbying, as well as Corporate Communications; including Health, Finance, Energy, FMCG and Retail. We also have strong capabilities in Branded Content, People & Culture, and Creative Marketing. Our rich experience lets us fulfill all sorts of assignments, but our hearts go out to those centered around sustainability. We strongly believe that environmental, social and governance—ESG—factors are a point of focus for a growing number of companies. We are witnessing a fundamental shift in corporate approach to reputation and want to be part of this change in the CEE. Having said that, most of our business at this early stage involves strategic consulting, PA and issues management.

We also have a second, creative leg at our company. Our Creative Director Agata Rychlik and Partner Joanna Poniatowska drive creative campaigns and execute content strategies for our clients.

What is driving the market in Poland? How about new trends? Do these new trends change your focus on potential clients?

This past decade has been exceptionally good to the PR industry in

Poland. Companies understand that they need to engage with stakeholders and that their reputation is a key factor in their overall strategy. As the country develops, consumers expect companies to pay more attention to their values and take responsibility for their supply chains. Polish consumers are no longer only driven by price. Consumers and stakeholders also expect companies to act responsibly and communicate their actions. Some brands are even becoming actively engaged in ideological battles. This is an attitude that was long resisted in Poland, however an increasing number of brands are not afraid to declare their values and take sides in political issues.

Are there any regulatory and legal issues that impede the development of business in Poland that you think need changing?

Poland's largest problem is stability and predictability of law. This is a common denominator for all businesses operating in the country; whether in PR or any other industry. I work closely with AmCham and other business organizations in Poland and can clearly tell that many companies are surprised by laws that are enacted at the very last moment. The upcoming tax reform, due to happen next year, has not yet been signed by the President but takes effect on January 1st. While we are all aware that this will have a profound impact on our business, we are still unfamiliar with the scope of these changes.

A similar case can be found with a client of ours, fellow AmCham member Discovery, who is going through a potential expropriation battle with the Polish government. Despite the fact that Poland's media laws have been clear to all for years, the country's media regulator suddenly decided it wanted to interpret them differently to use it against Discovery-owned TVN. This new interpretation could potentially force Discovery to sell its con-

trolling stake in its Polish operations. In this case, the support of the American Chamber of Commerce in Poland as well as the US administrator has been priceless. I am astonished with how closely the American community cooperated to support Discovery.

With you vast professional experience in advertising and PR, would you say that Poland is a mature market in these areas?

I have spent my entire professional life in this industry. As much as I believe that advertising in Poland is long mature, I cannot say the same about Public Relations. Fortunately, people are beginning to understand that PR is not media relations. PR agencies are here to sustain long-term relations with stakeholders, be it clients, local or national authorities, or NGOs. Too many times have I seen businesses doing plenty in Poland but completely forgetting about their communications.

According the *Financial Times*, the SEC Newgate team comprises over 600 people working out of 30 offices, in 14 countries and across 5 continents. As the top manager of SEC Newgate in Poland and the CEE region, what personal impact do you intend to make on the people you work with and, more broadly, the culture of your organization?

Working in PR is fun. I love this profession and I simply couldn't wait to get back to doing this after leaving my previous job. I strongly believe in Confucius's maxim; "Choose a job you love and you will never have to work a day in your life." For me, it's PR. I learned how to enjoy this job from Jerzy Ciszewski, my mentor and founder of one of the first agencies on the Polish market. I would like pass these teachings on to my employees. We have a very passionate team here at our office in Warsaw's Krakowskie Przedmieście. We're like a startup that combines enthusiasm, experience, and ambition. I hope to keep this vibe

alive for years to come.

What are the company's plans for Poland this year and beyond?

We are just getting started. We are planning to achieve EUR 1 million in revenue in our first year and build a solid list of top clients. We are working hard on our credentials and to earn trust.

I am incredibly happy that we took part in the global launch of the SEC Newgate ESG Monitor in our first year of operations. We hope to provide plenty of fresh market data from Poland in the global monitor's second edition.

We are working closely with our colleagues in the Czechia, Romania, and Bulgaria to enhance our offering in the region. Our aim is to have a list of happy clients that recommend our services to others. We also have a solid team working in Brussels and hope to coordinate work on an EU level for clients operating from Poland.

We have a solid team working in Brussels and hope to coordinate work on an EU level for clients operating from Poland.

Company Profile: ShareSpace

BUILDING BLOCKCHAIN BRIDGES



AmCham.pl Quarterly Editor Tomasz Ćwiok talks with **Robert Chmielewski**, co-founder and CEO of ShareSpace, a digital platform that links landlords and tenants with a multifunctional, objective, and unbreachable deal-making system, about the company's ambitious plans.

What can you tell us about the history of ShareSpace and its links with American business?

I have always been very fond of technology, always wanting the newest iPhone, watching all the Apple events, and staying up to date with the high-tech world. On top of all this, for as long as I can remember, I had a dream to have my own business. I liked the real estate industry right from the start, so much so that I decided to fully focus on it at university, going through internships, and then working in the field. I wanted to, somehow, marry my two passions. Ultimately, it was Marcin Dyszyński, the CTO and co-founder of ShareSpace, who had the most critical impact in pivoting this idea from a traditional real estate journey into the digital transformation of the real estate sector—the proptech sector.

Our first idea was a platform for student housing, but when I noticed the emerging market for co-working and flexible office spaces, we decided to start with a booking concept for desks and meeting rooms. By January 2017, we had created the first version of ShareSpace.

In relation to ShareSpace's links with American business, we can say that some of our biggest partners have been American companies. For example, we were proud to play a small, but nonetheless significant part in the expansion of our biggest partner, WeWork, across the CEE region, pre-selling and letting their locations to companies such as PayU and Cadillity, providing them with over EUR 3 million in potential revenues—the so-called Total Contract Value.

The deals we made were truly record-breaking. ShareSpace and WeWork did the biggest deal in Poland in 2018. What is more, ShareSpace helped firms like Capgemini, Uber, TNT, Knotel, and American Express to find and move into an office that was right for them. What we value the most about these collaborations is that American businesses are so agile, fast, and focused on what they want. ShareSpace also identifies with these values, and I believe that is why we connect so well.

What technology does ShareSpace use to support lease transactions?

ShareSpace uses fully proprietary technology. Thanks to it, we are able to remove walls between landlords and tenants. Simultaneously, our solutions bridge the gap between them through our innovative platform and a dashboard that allows for direct and real-time communication. The platform comprises a five-step office-leasing process. From the search, through viewing, up to signing the agreement using blockchain technology.

All the venues that are listed on our platform are fully administered by the landlords, providing full control over what they show and how they show it. On the other end, the tenants can find and compare available offices in an unbiased setting of the entire office landscape, customizing the search across different measurements such as city, price, size, amenities, and more.

What is the value that ShareSpace adds for landlords and prospective tenants?

Having full control over the entire deal is of great value to everyone. It means that all the up-to-date offers, lease agreements, and the entire

thread of discussion between the tenant and the operator are visible underneath one click of the mouse. This transparency, in turn, optimizes the speed of transaction time by 80 percent, as the majority of transactions on our platform show. A recent transaction with Booksy took just two months. In some smaller cases, even between 24 hours to two days.

Another valuable aspect for the landlord is the free marketing value and access to a broker-like network of sales that runs the market. There is no doubt that brokers provide, in many markets, between 70 to 95 percent of deal volume. So, for a landlord, gaining access to that market is incredibly beneficial.

In 2018, ShareSpace facilitated a lease contract in blockchain technology. Can you explain to us the pros of blockchain in such a transaction?

The biggest pro of blockchain technology is the decentralization of the storage of signatures and agreements from ShareSpace. This means that it is not possible for any party to ever interfere in an agreement

signed by tenants and landlords via ShareSpace. To put this in context: the most common durable medium for an agreement that we are familiar with is paper. Legally speaking, any changes made to a paper document would be readily visible in the same way as with the lease document in its digital format.

Secondly, what is important is that a handwritten signature is not exclusive to a signature done with pen and paper. It is a signature, done by hand, and unique enough so that a graphologist would be able to identify it if the individual was to replicate the signature using that same medium, in this case - a touchpad or a mouse. Our use of a sensitive stylus that reacts to pressure and speed of writing makes each individual signature so unique it actually has every component of a handwritten signature.

The third aspect is the verifiability of all parties involved. We do that by collecting the mobile phone number and the corporate email of that person and verifying their access to it. When all of these three components are combined—the durable medium, the signature and the verifiability of the partners—it checks all the boxes of a handwritten signature—the most legally binding form in the world in the eyes of the law.

How many tenants have you served so far, and how many workplaces have the marketplace helped lease?

Since our launch in 2017, ShareSpace has become a well-established startup on the European market in Poland, Hungary and Germany. Our platform covers over 96 percent of flexible offices in Poland, 93 percent in Hungary, and 45 percent in Germany. We will soon be present in London—the second-biggest market for office lease. The total number of completed transactions across all these markets is 729, with their total value adding up to EUR 10 million.

What are the new trends in the office market today?

There is a paradigm shift happening in the market, in many ways, due to pandemic. Previously, how offices were leased was mainly governed by how many employees a company had and its needs regarding the number of desks, perhaps with some additional space like meeting rooms and kitchens. That model worked only because everyone followed it without much questioning. What we see now is that in many departments, you can adopt a form of remote work, such as working from home or a satellite office. Especially when it comes to the latter, many companies are now adopting the hub-and-spoke model. Employees work close to where they live but not from home specifically. The reason for that is that many big corporations realize the dangers of working from home. At the same time, workers do not want to come to the office every day. An option that has become particularly beneficial for businesses and workers is leasing satellite offices near where the employees live and encouraging the staff to balance their work between the office, home, and occasionally, the main office hub. This allows people to balance the different aspects of their lives without falling into the extremes of only remote or in-office work. Additionally, offices are no longer designed based on the number of employees and desks they need. Instead, it is about the office environment that invites people to come and work across a variety of working styles. Collaborative spaces, such as meeting rooms, standing rooms, open spaces with hot desks and private offices, are just some of the features offered by landlords. Though it could seem like the demand for office space has shrunk, in fact, it has increased because more space is required to facilitate fewer employees in a variety of working styles.

Would you agree that Poland has a good environment for startups?

Poland has an amazing environment

for startups. It shows in the success of some start-ups we hear about and how they are rising to the global level. I trace it back to our very skilled labor force and the can-do and go-getter mentality, which is very motivating to many.

Poland also has an amazing pool of technology talent. In a recent PwC study of the skill pool across many countries, the top three positions were listed in the following order: China, Russia, and Poland. Another factor that makes Poland a great environment for business is that in the last eight years, a lot of venture capital funding has compounded into Poland from places like the US and the UK.

How does it compare with other countries that ShareSpace is present in?

Even with the political upheaval that we are currently experiencing in Poland, the legal, financial, judicial, and political systems remain quite stable. I feel that Poland is still quite technologically advanced, and the pandemic exhorted the use of technology greatly. In comparison to other markets that ShareSpace is in, namely Hungary and Germany, in Poland, you can do almost anything digitally now dealing with the majority of government offices and it is a proficient system.

Is there anything in legal and regulatory areas governing business that you think should be changed to make Poland a better place for investors?

Opening the borders up for a more global workforce is an area where we are still lacking. Simplifying the process and making it less bureaucratic to encourage the international talent and increase their inflow would make Poland a more globalized place to work in—a place with open borders.

What are ShareSpace's plans for 2021 and beyond?

Next year we will be fully focused on opening up shop in the biggest

markets in Europe. In Germany, we will focus on the largest cities, including Berlin, Munich, Frankfurt and Hamburg. In turn, in the UK, we will focus on London—the second-biggest office market in the world, just after New York. We want to validate our business model through that.

By the end of next year, we want to be a leading start-up and technology company in office space leasing across Europe showing huge potential for global growth. Another way to do that is by expanding our team, growing our local presence through hiring top talent, building our headquarters in Warsaw, and moving our company into a fully functioning scale-up.

We are also looking to expand our technology beyond the confinements of what the office search journey is understood to be. At the moment, it is seen as a search, with some steps in between until the lease signing. We want to extend that journey with technology to help clients answer the questions of what they are actually searching for and provide for their needs through the lens of what actually works.

What are the biggest challenges in the years to come for the company, as you can see them today?

The main challenge is definitely the adoption rate of technology within the real estate industry. Adoption of changes such as e-signatures and processing deals digitally can sometimes be an issue for our partners. In contrast, our clients in such industries as insurance, pharma, banking, finance, and start-ups, are fully ready to adopt. They respond to what we do—Wow, I love this, it solves all the problems that I have been previously experiencing, they say. So essentially, we find ourselves bridging that gap between the real estate industry and the tenants.

Opening the borders up for a more global workforce is an area where Poland is lacking. Simplifying the process and making it less bureaucratic to encourage the international talent and increase their inflow would make Poland a more globalized place to work in—a place with open borders.

Company Profile: Westinghouse Electric Poland

THE MEANING OF FUSION



AmCham.pl Quarterly Editor
Tomasz Ćwiok talks with
Mirosław Kowalik, President of
Westinghouse Electric Poland,
about the company's involve-
ment in the transformation of the
Polish energy system.

In July, Westinghouse announced the launch of front-end engineering and design—FEED—work to progress the nuclear energy program in Poland. The work is one of the key elements in the implementation of the Intergovernmental Agreement between Poland and the US regarding cooperation to develop a civil nuclear power program. How is the work progressing?

The works are proceeding according to schedule.

The FEED was signed in June 2021 and it is expected to last a year. The program has several important elements. First, the checking of the local technical and regulatory requirements; second, the identification of the main investment costs and scheduling; and third, the optimization of the project scope.

The finalization of the FEED will allow Westinghouse, in partnership with the project management and construction company Bechtel, to submit an offer that is maximally tailored to the needs of the Polish industry. We believe that we will be

Poland's partner in the energy transition process, which is now gaining momentum.

Earlier, in March, Westinghouse announced its intention to invest in nuclear technologies in Poland, following a meeting in Warsaw between Westinghouse CEO Patrick Fragman and Polish Secretary of State for Strategic Energy Infrastructure Piotr Naimski. Can you say what are the key elements of this plan, apart from the front-end engineering and design work?

Westinghouse is an American company, which enjoys the support of the US administration. Our cooperation with Poland has a very broad dimension. On the one hand, we are developing the already mentioned FEED in order to answer the question of the schedule and costs of the nuclear project in Poland. As a result, we want to offer Poland what we believe is the best and reliable technology currently available on the market, which is the AP1000 reactor. This is a guarantee of a growth-enhancing energy genera-

tion that will be emission-neutral and attractively priced. However, our role does not end there. In October, with our construction partner, Bechtel, we met over 200 local businesses in Warsaw to discuss the needs of the Polish industry around nuclear energy in Poland, bearing in mind our supply chain plans and capabilities. We are excited about the prospect of working with Poland and bringing the AP1000 technology to the country for the benefit of local businesses. Moreover, we are investing in Poland. We have opened a Global Shared Services Centre in Kraków, where up to 160 highly qualified specialists will find work by the end of 2021. Their skills will be used in all Westinghouse initiatives globally. All these activities are part of the concept of close cooperation developed between the Polish and American governments with the active participation of Westinghouse.

Following the accident in the Fukushima Daiichi Nuclear Power Plant in 2011, many countries de-

clared to downscale their nuclear programs or end them completely. On the other hand, there are 443 nuclear power plants in 30 countries, including in Poland's neighboring countries: 6 in Germany and 6 in the Czech Republic. In fact, there is one in Poland, near Warsaw, but it is a scientific reactor, not a power plant. The largest nuclear power plant under construction now is in Finland. Its electricity gross generation capacity is over 1,700 megawatts. What would you say to the opponents of nuclear energy?

I would say that without nuclear energy, there is no stopping climate change. Only an energy revolution based on decarbonization and the development of carbon-neutral technologies aims to reach the climate-neutral target by 2050. Nuclear energy is now an essential element in stabilizing electricity grids, with a growing share of renewable energy sources.

A separate issue is the closure of nuclear power plants before the end of their life cycle. Such meas-

ures certainly do not bring us any closer to the goal of climate neutrality. This is particularly evident now when the economy, waking up from its pandemic slumber, has caused a severe crisis. Supply is not keeping up with the demand, while coal and gas prices are reaching astronomical prices. As a result, key chemical industries in Europe have nearly stopped production, and many other areas of the economy, such as heating, have been impacted. Such problems would be mitigated by an appropriate share of nuclear energy in the energy mix of the EU member states.

One of the problems with nuclear waste is that it is not only toxically radioactive but that it remains radioactive for thousands of years. If not disposed of properly, it may cause radiation poisoning to neighboring communities. No country government can guarantee safe storage of nuclear waste for such a long time. Are there any technological solutions in the making to cut the radioactivity breakup time of nuclear waste, or perhaps utilize the waste in some other form?

Waste from the nuclear industry is much less of a problem than waste from other sectors of the energy industry, from windmill components to mine waste dumps.

According to the European Atomic Energy Community—Euratom—up to 96 percent of spent fuel can be recycled. There is also a fivefold reduction in the volume of final waste and a tenfold reduction in toxicity. And in fact, the fuel itself has a very small size. One uranium fuel pellet is the size of an eraser in a pencil and creates as much energy as one ton of coal.

What can you tell us about the small modular reactor—SMR—technology, which some companies in Poland eye with intent to use?

This is a technology that is mainly in the testing phase in the US. It was created as an answer to the problem of meeting the energy needs of

urban areas distant from the centers of civilization—places where the electricity grid is not sufficiently developed as well as on- and off-grid combined heat and power for heavy industry. SMRs still have a long way to go. They must obtain the necessary approvals, certifications and be ready for commercial deployment. Changes to the law are also needed to accommodate these technologies. To sum up, we are talking about the 2030s, or rather the second half of the 2030s. I am, of course, aware of the declaration from some of the suppliers of this technology that this will happen earlier. As I said earlier, we support SMRs development. There is certainly a place for SMRs in the industry. However, commercial deployment of this technology still requires a lot of effort, time, and further investment in R&D. As far as Poland is concerned, it needs to reach an economy with net-zero greenhouse gas emissions by 2050 and reduce a risk exposure associated with the rate of increasing CO₂ emission allowances. It is a large-scale transformation that makes it clear that, first and foremost, it must rely on reliable, licensed, and the most advanced technology, which is available today, which is the AP1000 reactor.

With your vast experience in the Polish energy sector, what, according to you, are the main challenges for the sector in the years to come?

There is a large number of challenges because we are in a critical moment. It is a new 1989—a pivotal moment in the transformation of the Polish economy that may change everything. Our traditional energy sector, as we know it, is coming to an end, while climate policy set forth by the Paris Agreement and the European Green Deal is being introduced. It is necessary to start re-designing and building the entire sector based on carbon-neutral technologies. I believe that the transformation will be a success

and that the nuclear power industry will be part of this change. Of course, I am not afraid to admit that the introduction of nuclear energy in Poland is one of the biggest challenges. But at the same time, I want to emphasize that in the current reality, we have no choice. Either we build a nuclear power plant, or we will become one of the largest energy importers in the European Union.

What are other challenges that the nuclear energy sector is going to face in the years to come and how is Westinghouse approaching them?

In Europe, one of the key challenges is, of course, to include nuclear power in the so-called taxonomy, which is a list of technologies that qualify for obtaining EU financial support when used by investors. This would make it easier to finance new power plants and create the right investment environment. Growing numbers of politicians and experts say that nuclear energy is one that helps overcome potential energy crises. Recently, President of the European Commission Ursula von der Leyen presented a series of measures that the EU intends to take to deal with the energy crisis. Nuclear power has also been listed as a stable source of energy in a potential action that needs to be taken to avoid energy crises in the future.

If the EU really wants to combat climate change, it should strengthen its focus on the development of nuclear energy. I believe that Europeans will make the right choice in this regard. In fact, they are already making the right choices. Suffice to say that their new investments in nuclear energy are set to be implemented in Poland, Czechia, Slovakia, Romania, Bulgaria, Slovenia, and the Netherlands.

If the EU really wants to combat climate change, it should strengthen its focus on the development of nuclear energy. I believe that Europeans will make the right choice in this regard.

EXPERT Business management



By **Andrew Harding**, *FCMA, CGMA, Chief Executive, Management Accounting at the Association of International Certified Professional Accountants, representing AICPA & CIMA*

REDEFINING PERFORMANCE



Businesses must look beyond traditional ways of managing efficiency.

If the pandemic has taught us anything, it is that the ways we manage businesses today should be different from the ways we managed them in the past. In our ever-changing and complex environment, businesses can no longer solely focus on financial data to assess their performance, drive long-term strategies and generate sustainable value.

In the modern business world, pervasive volatility and unpredictability continuously test business resilience. In this environment, businesses not only need to respond to

rapid-fire changes to survive but, perhaps most importantly, they need to take advantage of these forces to thrive.

Most recently, businesses have had to contend with the implications of the pandemic. But there are many other challenges that we know about, including emerging environmental sustainability regulations and changing investor sentiment, rising geopolitical rivalry and conflict, and growing consumer awareness and influence.

There are also the inevitable shocks we do not and can not

know about. Anything can happen.

PERFORMANCE CULTURE

Against this backdrop, businesses need to be more agile, responsive, and innovative. Yet, in this business ecosystem full of surprises, many companies still manage their performance in rigidly structured silos of command-and-control power hierarchies designed to avoid surprises. Fundamentally, there is a tension between navigating the 21st-century business ecosystem and using 20th-century management philosophies

based on command-and-control.

People closest to the coalface are usually best placed to respond to these volatile and unpredictable forces. The challenge for business leaders striving for innovative, responsive organizations is to create an environment in which people feel engaged in driving business strategies. In other words, a culture of employees who are empowered, motivated, passionate, and invested in their work that is driving strategy and creating value—or what we call a performance culture.

To create more resilient, well-run, and innovative businesses that can measure performance in meaningful ways, it is imperative that businesses connect the dots within their organization.

NEW FINDINGS

As the drive toward the digitization of the economy continues to accelerate, businesses must look beyond traditional ways of managing performance to become more responsive and build their resilience, revealed our recent report *Reimagining Performance Management**, based on research conducted jointly with the World Business Council for Sustainable Development (WBCSD).

Yet, creating the performance-based corporate culture needed to support this shift, drive innovation, create value and move the business forward remains a challenge for many organizations. We have conducted initial interviews with 42 finance, HR, and operational leaders at 32 companies, including HSBC, Coca-Cola, Diageo, AstraZeneca, Nestlé, Nike, and Unilever. It was followed by a series of roundtables with 34 finance, HR, and operational leaders at 34 companies across the USA, the UK, South Africa, Singapore, and Brazil. Our research identified key factors that contribute to creating a performance culture.

IMPROVING ACCOUNTABILITY

Business leaders want employees to be accountable for their results. However, our research shows that many businesses still struggle to hold employees accountable. Why is that? In certain corporate environments, coercive controls fetter entrepreneurial instincts and stifle creativity. When the consequences of failure risk outweighing the rewards for success, employees avoid taking responsibility for risky challenges by negotiating activities and targets into their comfort zones. To

reach challenging strategic goals, business leaders should develop enabling controls that encourage employees to confidently take on ambitious challenges.

CREATING A CLEAR LINE OF SIGHT

One of the main obstacles to increasing accountability is that employees beyond a certain management level lose sight of the connectivity between personal objectives and the business strategy. Businesses often rely on a formal process of cascading strategic objectives down the chain of command. However, this process has several flaws. First, managers are taking a safety-first approach and choosing tactics that play to their strengths. Second, strategic ambitions get misinterpreted, especially further down in power hierarchies, leading to misguided choices of actions required for success.

What is more, activities are being based on decision-maker biases rather than what might be best for the business. With this, managers deliberately select activities most likely to reward them or position them for advancement. Meanwhile, the structure gets in the way of strategic focus, with employees prioritizing functional excellence over strategy execution. Eventually, the complexity of the process can impede efficiency, visibility, and responsiveness.

ENHANCING COOPERATION BETWEEN SILOS

Business strategies typically require a coordinated mix of expertise for successful execution. Since businesses tend to be structured in functional silos, cooperation is key to ef-

fectively coordinate the execution of strategy. But we found that businesses struggle to make this happen. To solve this issue, some businesses have implemented matrix responsibilities, meaning that managers are accountable for both strategic goals and functional excellence. Yet, we found three key challenges:

- Managers have primary allegiance to their functional silo rather than the overall business strategy.
- There is poor coordination between silos, with each trying to solve the same problem in isolation rather than together.
- There is complexity around resource allocation in matrixed organizations.

USING INCENTIVES TO CONNECT PEOPLE AND PERFORMANCES

It is sensible and logical to question how incentives connect employee performance with business performance. In our research, we found that there is strong connectivity between incentives for business leaders and senior executives and strategic goals. When looking further down the business structure, these connections tended to be weaker. Without clear connectivity between personal objectives and business objectives, incentives do not work to motivate employees to excel in their roles or encourage them to engage with the business strategy.

ENSURING COLLABORATION BETWEEN HR AND FINANCE TEAMS

Finance teams perform a critical role in coordinating the development, execution, and refinement of business strategies. Given that business

value creation and strategic success are dependent on employees who are motivated, passionate, and invested in their work, we expected HR and finance teams to work closely together to ensure that the performance of people is aligned with business performance. Unfortunately, we found that, for the most part, finance and HR teams continue to work in separate silos. The finance team is largely responsible for enterprise performance management, and the HR team is responsible for people's performance. Many of the finance and HR leaders who engaged with us in this project admitted that better cooperation would be better for business, but that barriers remain to prevent this from happening.

KEY TO SUCCESS

To create more resilient, well-run, and innovative businesses that can measure performance in meaningful ways, it is imperative that businesses connect the dots within their organization. They must effectively engage their employees in strategy conversations, create a culture of performance and accountability, and allocate resources in ways that ensure efficient and effective execution of the business strategy. People will be the key to business success.

* You can find the report at bit.ly/Reimaginingperformance

EXPERT Commercial real estate

REDEFINING THE WORKPLACE



By **Małgorzata Niewińska**,
Director, Head of
Workplace Strategy &
Change Management, CBRE

With the pandemic, the office is gaining a new meaning.

We miss the pre-pandemic normal as it satisfied a fundamental human need: safety. We tend to accept standards and universally accepted rules even when they do not suit us but are known and therefore predictable and safe.

This was also the case in the world of workplace strategies. Although it had been evolving for years towards flexible, home and office solutions, provoking significant changes in the ways of using office space, the limits have always been determined by an old standard—the model anchored with the office as the default choice.

Today we know that the old norm is gone. It is impossible to return to it because a cultural change has already taken place. With over a year of a real impact on the organization by choosing where to work, the belief that the office is the key and the best place to work is over.

Such a massive-scale change, which took place in such a short time, could only happen due to the pandemic trauma that took us all by surprise.

Technological constraints, so far blocking free access to the mobile, out-of-office forms of work, have also disappeared. Access to advanced communication tools and mobile applications is growing, while the associated costs are falling. At the office, we adapt flexibly to the new needs to keep dis-

tance, ensure acoustic insulation and be ready for frequent rearrangement. And thus, changes in spatial solutions follow cultural changes. But we are still in the testing phase.

COMMON GROUND

The standardization phase has been fueled by internal procedures that organizations had to implement based on legislative regulations governing the pandemic work regime. Yet, we are stuck in the vestibule leading to the new



Challenging times: With the pandemic, the model of work organization in which the office was viewed as the default place where work is done is gone.

norm, immersed in stormy debates about the future of the work environment. Consent for a shared vision is still not visible. The debating parts sound like randomly assembled musicians who have just begun tuning up their instruments.

However, between the extremes—the traditional versus fully distributed work models—the proponents of hybrid solutions sound most clearly. In fact, hybrid models have dominated the discussion today. It all goes to show that they will constitute the fundament of new standards governing work organization, which will change the entire work-at-the-office versus work-from-home equilibrium. It is about to happen. Recent polling showed that already 66 percent of decision-makers in organizations are considering rebuilding their work environment to adapt to the hybrid model. At the same time, 67 percent of surveyed employees said they wanted a balance between remote and office work modes. It is safe to assume today, therefore, that the most immediate work environment that will emerge

universal way: it will balance the interests of the organization and the employees by using the best of the two worlds—the office environment and the home zone. The benefits of such a model are many. It expands the working environment with an additional home office zone, which becomes the fundamental one instead of an occasional one as it was before the pandemic.

The model boosts the range of possibilities to choose spaces in which to work well on the basis of regular access. Secondly, the model gives people accountability for making conscious choices on how they prefer to work. With this comes the feeling of influence and control, which, in turn, has a positive effect on the mental health of the workforce.

Thirdly, the new model impacts work effectiveness. The key criterion for choosing a space is how it supports me in what I do: I choose a sofa with a footrest in my own living room, put my laptop on my lap, and quietly turn on jazz in the background, for it helps me concentrate, which I need especially when I have one day left to finish a complicated project report.

EMPLOYEES AS CONSUMERS

Apart from the new proportions between the office and remote work, the new standard will change the workplace in a few key areas defining employer/employee relationships. While discussions may continue for months and even years on how to best define the new standard, it is clear that those areas will be fundamental.

It is difficult to find anyone today who has not heard the

I am a supporter of the new standard: freedom of choice and an office where people will go to because they want to work with people who inspire them.

phrase "human-centric" repeated like a mantra and so often that it has become a household term yet such, which is still difficult to define on a practical level. After all, in the business world, obvious matters are not discussed every day. I have a feeling that only now, under the impact of the pandemic, the term has gained new meaning, as if organizations have started to really notice and listen to their employees. Even if it is for purely rational reasons, it is still a change for the better.

NOMADIC APPROACH

With the pandemic, work emerged from the office for good and became an autonomous, mobile phenomenon not tied to a specific place. No business area has undergone such a rapid transformation as the way in which white-collar workers work. In a recent survey, 73 percent of respondents said that they expected flexible forms of work and wanted to control where, when, and how to work.

But they also expect adequate solutions from their employers. Today, however, only 46 percent receive support from their employer to organize the infrastructure at home to ensure efficient work and no technological disruptions. Employers are already open to the "autonomy" of work. They will not disregard the fact that remote work is effective and, despite their own sentiments regarding the old organization models, will offer new solutions.

THE NEW MEANING

The office is here to stay. Its role as a place where people work will evolve from the quantitative-based approach of the past to quality. The of-

fice will start fulfilling new functions, including its most fundamental one—the social function—viewed in the sense of knowledge transfers and creative energy induction. As a recent employee polling showed, when it comes to the most-desired environment for collaboration and cooperation, it is the office for 67 percent of respondents.

It is easy to depreciate the value of an office in Excel. But the value of an office is not the walls, luxurious furnishings, or square meters of space. The real value of office space is measured by what is happening within the office walls and what kind of organizational culture the office supports: high hierarchy or lack of privileges, communications within silos, or cooperation between teams. For all this to happen, the final space design must be coherent with the culture of the company and the organization's technology. Too much cutting of the surface based on only one criterion—savings—may result in significant long-term cost, measured, for example, by a decrease in productivity.

REDEFINING WORKING COMMUNITY

The new organization will no longer be a group of people crammed into a common space, with a tendency to separate themselves against one another and close in their functional silos. It will be a group united by a common interest. But to say that the problem is only about achieving common business goals might sound like a corporate cliché. The intrinsic motivation to go to the office has less to do with outcomes and goals than the desire to belong and be part of a larger whole. It is important for people to create and invent

something with like-minded people, build and maintain a network of contacts, develop a career, and gain trust in their professional fields. How can an office help create such communities? It is a natural social process that should not be interfered with. People get into groups naturally around the axis of mindset and passions that connect them. To create such a work environment where such processes take place naturally is another challenge set by the new work model.

WELL STRATEGIES

The energy expenditure on the part of the workforce during the pandemic was enormous. With this, it has become impossible to ignore the fact that the last period, unfortunately, had an impact on our mental health. Productivity has risen indeed, but at a cost—37 percent of respondents say employers expect too much of them during the pandemic. Thinking in terms of supporting the well-being of employees did not take place in organizations before the pandemic. Now they do not have a choice.

It is known that the costs of absenteeism due to various psycho-related problems are increasing and have a significant impact on business results. With the pandemic, the awareness of the importance of employees' life quality has increased significantly. At the same time, as experts charge their batteries through debates on the future work environment, the average worker knows little or nothing about where his company's working environment strategy is going. That is a good cause for real frustration and even burnout. Both these symptoms are becoming apparent across growing parts of the workforce. With

this, firms need to focus on strengthening the sense of security by talking to people about how their future work environment will look like.

MORE ACCOUNTABILITY

Less control and increased trust are becoming one of the core values of business organizations. At the same time, it presents a number of challenges for business leaders, especially hands-on managers. But the questions organizations need to ask now is whether such managers have as much commitment as they expect from their employees? Have they gone through the process of cultural transformation themselves and changed their thinking about the work environment? Can they think of the workspace in terms of a shared resource? Are they able to inspire instead of control? After all, they manage a generation of young independent people, who are increasingly supplying organizations with their potential. These are the times of creating new organizational cultures, and without leaders willing to self-reflect and change, the process will fail.

I am a supporter of a new standard: freedom of choice and an office where people will go to because they want to work with people who inspire them. This is about a work environment in which people want to be listening to each other open to different ways of thinking, opinions, and ideas. An office where working is fun.

It seems today that there is only one direction to go. It is where there are positive emotions and a feeling of satisfaction. Great work results are embedded in the quality of life of the workforce. Can you ask for more from your work environment?

EXPERT Commercial office space



By **Michał Kłak**, Senior Executive Manager, Michael Page; **Karolina Szyndler**, Director, Hays; **Małgorzata Mudyna**, Randstad Professionals Regional Manager, Randstad Polska; **Artur Sutor**, Partner, Head of Office Department, Cresa Poland

HOME, SWEET HOME...

The corporate office is evolving.

After many months of remote working, many companies have, wherever possible, returned to offices and adopted various hybrid work models. A PwC survey has revealed that 68 percent of employers believe that employees should be in the office at least three days a week to maintain their corporate culture. The return to the workplace marks an economic recovery. The unemployment rate has been falling gradually to the pre-pandemic levels. Companies are creating new jobs. According to the data from Randstad's survey Plans of Employers, their number has already surpassed the pre-pandemic level in late 2019 when companies put recruitment on hold as they had not been able to attract new candidates. They have since regained confidence. Some think that now is the right time to reach out to people who are out of work or are considering changing jobs.

REFLECTION OF CULTURE

According to recruitment agency Hays, the head office of a company is still an important part of a strategy for attracting employees. Offices host key meetings and serve as creative spaces. Many companies have taken advantage of the pandemic to have their offices refurbished to create nicer, safer, more comfortable and ergonomic workplaces. The office has always served as an area reflecting the company's mission, brand, and culture. Yet, the role of the office is evolving. However, in order to achieve their business objectives, companies now provide

appropriate workspaces for employees. For many employees—most particularly for young graduates who have recently moved to large cities—it may be quite a challenge to organize a workspace at home, especially when sharing a flat with one or two people, as this means two or three companies within one space. Such conditions may compromise the wellbeing of employees, but it may also put sensitive business data at risk.

THE BASE

The office is a place for meetings, knowledge sharing and social bonding. The offices of many service companies are empty for most of the day as the staff are out meeting clients. Other companies in a similar situation are implementing hot-desks. Some office workstations will sometimes be unoccupied. But no matter how little time employees spend in the office, they need their own workspace—a place they identify with, not just hot desks. The Randstad survey revealed that the workplace location is a factor that may either attract or put off as many as half of Polish employees. It is more critical for people living in the largest cities with increasing traffic jams problems. A convenient location close to fast transport links and short commute times has become key as most people working remotely have already put the time saved on commuting to other uses over the past year. With this, more and more candidates ask about or want to see the office during the job interviews. The surroundings of the building are also likely to be a

magnet in recruitment. Employees expect a variety of food and beverage outlets nearby and easy access to services close to their potential workplace. Successive lockdowns have shown that not all errands have to be accomplished in person. Indeed, it is not always necessary to drive across half the country for a one-hour meeting. People may have things done following a teleconference. This has, in a way, been forced upon us, but this solution works and it seems that it will stay with us for long irrespective of the pandemic.

However, for video meetings to run smoothly, we need appropriately designed and technologically equipped spaces. According to Michael Page, employees report the need for investments in office technologies such as broadband internet access and new tools for connecting with clients and employees working remotely. Many companies have arranged new spaces dedicated to meetings via instant video messenger apps to ensure comfort and privacy during conversations.

FEELS LIKE HOME

The past 18 months have turned our lifestyles upside down. Managers who used to dress in suits put away their dark-colored jackets into wardrobes and few put them on going to the office now. Offices have become more colorful. There are more people wearing jeans, casual jackets or sports shoes. It is similar to office space itself. After months of having business talks from their living rooms, people are starting to think about the workspace a

little differently. They want offices to be more comfortable, less formal, cozier, with a homey feel to them. They will certainly evolve in this direction. In addition, employees pay attention to greenery, both in the office and its close surroundings. They value timber features, neutral earth tones, comfortable furniture and warm lighting. With this, appreciated are all noise reduction solutions dividing open spaces and giving employees some privacy.

SUPPLY GAP

Labour market forecasts show that there will be a demand for office space for a very long time. Occupiers are stepping up leasing activity and resuming relocation processes following a brief spell of uncertainty. However, it is likely that there will be nothing to choose from soon. Last year, only three projects were commenced on the largest Polish office market in Warsaw: Skanska's P180, Ghe-lamco's The Bridge, and Dor Group's Dor Plaza, and earlier this year, Skanska began the construction of its multi-phased office project Studio. That is why a supply gap in 2023-2024 is expected. The vacancy rate in Warsaw now stands at around 12.5 percent, which equates to approximately 760,000 square meters. More than half of the vacant space is in buildings aged over ten years. As we know, no new supply will be delivered earlier than two or three years from the start of construction.

EXPERT Antitrust law

A GAME-CHANGER?

The implementation of the EU antitrust directive reinforces the independence of the Polish antitrust authority and changes the penalization system for breaching the law.

Poland will soon implement the ECN+ Directive, which seeks to harmonize the positions and powers of national competition authorities, the so-called NCAs. The amendment will significantly change the Polish antitrust landscape.

THE UOKiK

One of the directive's main goals is to ensure the independence of NCAs, especially from political interventions. Currently, the prime minister can appoint and dismiss the chairperson of the Polish competition authority, the UOKiK, at any time. This leaves the door open for exercising political pressure. With the amendment, UOKiK's chairperson will be appointed for a 5-year tenure. The prime minister will be able to discharge the chairperson only in quite limited circumstances, for instance, if he/she becomes a convicted criminal. While this limitation will offer more political independence to the UOKiK head, there are, however, some caveats. First, the chairperson, after his/her tenure, can be reappointed one more time. This, some experts say, might result in the chairperson being susceptible to political pressure during the first term in hopes of being reappointed. Second, some of the circumstances justifying dismissal are drafted rather vaguely and can be subject to broad interpretation. For example, the prime

minister must dismiss the UOKiK chairperson in the case of illness or other obstacles that make it permanently impossible to perform his/her tasks.

INFORMATION REQUEST

As with other NCAs across the European Union, the most frequently used tool for the UOKiK to gather information is a request for information. Non-compliance with an information request from the UOKiK is currently subject to a fine of up to EUR 50 million, regardless of the company's size. After the amendment, the maximum fine will be more proportionate to the size of the penalized organization, set at the level of 3 percent of its annual turnover. However, it is worth noting that the limit under the EU law is set at 1 percent. The solutions implemented in Poland based on the ECN+ Directive will also differ from the EU law in another way: under the obligation to respond to a UOKiK information request will be not only companies and organizations but also natural persons. In the latter case, for not complying with the request, they will be subject to a fine of up to 50 times the average salary. In contrast, the European Commission cannot fine natural persons for non-compliance with its information requests. Finally, the directive provides that an information request cannot compel the addressee



By **Maciej Marek**, Senior Associate, Competition Practice, Dentons

to admit an antitrust infringement. Unfortunately, this has been reflected in the draft amendment only with regard to natural persons and not companies. Companies will thus likely need to look for protection against self-incrimination in case law.

IN-HOUSE LAWYERS

The amendment will also clarify some issues around UOKiK's access to legally privileged materials, and in particular to correspondence between a company and its legal advisors. Legal professional privilege (LPP) is especially important in the context of UOKiK's right to conduct dawn raids. After all, it makes little sense to ask for antitrust advice if that advice can then be seized by the UOKiK. Arguably, the amendment will limit the current scope of the LPP. Under EU law, LPP only applies to communication between a company and its external (not in-house) legal advisors. With the amendment, the Polish law will adopt the EU approach. For Polish general counsels, this may come as a surprise and as uncharted territory.

PARENTAL LIABILITY

Currently, the UOKiK can only fine companies which are found to have been directly involved in an infringement. In other words, UOKiK's fining powers do not extend to parent companies or subsidiaries. Meanwhile, under EU law, the liability of the parent company for antitrust infringements committed by its subsidiary is a well-established concept. It will become a part of the Polish system as well with the amendment. Fining the parent company for infringements committed by its subsidiary will be possible if the parent

had "decisive influence" over that subsidiary—regardless of whether it was at all involved in the wrongdoing. "Decisive influence," in turn, will be presumed if the parent had more than 90 percent of the subsidiary's share capital. The UOKiK will also be able to take into account the annual turnover of the entire holding, not just the turnover of the infringing subsidiary, in setting fines. The maximum fine it will be able to set may amount to 10 percent of the holding's annual turnover. For multinationals with subsidiaries, this will be a real game-changer.

TRADE ASSOCIATIONS

Another big change concerns the liability of trade associations and their members. Today, a fine imposed on a trade association cannot exceed 10 percent of that association's annual turnover. After the amendment, the limit will be 10 percent of the sum of annual turnovers of the trade association's members active in the market concerned. If the trade association will not be able to cover the fine, members who had their representatives in the association bodies, and then other members too, can be required to pay instead. To date, Polish companies did not consider participating in trade associations a high-risk activity. Clearly, this may now change.

CONCLUSION

The implementation of the ECN+ Directive will change the Polish antitrust landscape significantly. The UOKiK will come out more independent and significantly stronger. Perhaps, the biggest change is the increase in the maximum fines for multinationals, who will now need to be extra careful.

EXPERT Personal data protection

A NEW DATA CULTURE?



By Małgorzata Perchel-Ducka, Associate at Łaszczuk & Partners

The pandemic raises questions about the right of employers to access their employees' personal data.

Processing personal data is a matter of vital interest in numerous areas of law, including labor law, which is governed by particularly strict principles. As a rule, employers may ask employees only about things expressly stated in the Labor Code. In case they want to obtain additional information, they must meet the requirements set by the EU's General Data Protection Regulation (GDPR) and the Polish Labor Code—which requires not only voluntary consent but even the employee's initiative in the processing of personal data. In addition, they have to comply with Poland's data protection authority—the president of the Personal Data Protection Office (PUODO)—whose opinions usually render the right of employees to the protection of their personal data almost absolute, often making it much more difficult, or even impossible, for employers to take legal actions that would be permissible under the GDPR.

The question of what types of employee personal data and for what reasons employers may process became pressing during the pandemic. The restrictive requirements for the processing of employees' personal data prevented employers from taking actions that actually could ensure the effective protection of their workforce. An example of how damaging this can be is the position of the UODO president on granting finan-

cial incentives to employees in return for vaccination. According to the president, employers have no grounds to process such personal data because when they offer some financial benefit to their employees in exchange for personal data, it is not a voluntary employee initiative. Currently, there are also no clear legal grounds for the possibility of processing information on the vaccination of employees.

CONFLICT

In this difficult situation for employers, among other groups, an interesting judgment was issued regarding employers' right to process information about foreign travel of their employees. In that case, the court weighed the employee's right to privacy against the collective interest of other employees in protecting their life and health. The case concerned a claim for damages for unlawful termination of an employment contract due to the fault of the employee. The employer terminated the employment relationship of an employee on disciplinary grounds, alleging the employee's breach of basic employment obligations: compliance with principles of social coexistence, including loyalty to the employer and other employees. The employee in question had concealed the fact that he/she traveled abroad despite the employer's require-

ment to provide information on foreign travel in connection with the pandemic and produced a false statement regarding foreign travel. With this, the employee breached safety requirements set by the employer to protect the workforce. This amounted to a gross violation of the safety rules at the workplace imposed in connection with the spread of COVID-19. The employee disagreed with the employer's arguments and filed suit for wrongful termination.

VERDICT

The Olsztyn District Court held that the employer had the right to ask employees about their foreign travel in connection with measures aimed at protecting the life and health of employees by preventing the spread of the COVID-19 virus. In its decision, the court found that because the employer was obliged to protect the life and health of employees by responding to occupational health and safety needs and adopting measures to improve the existing level of protection, the employer was not only entitled but indeed obliged to take actions ensuring real safety. Further, the court stressed that the employer was obliged to adopt measures to improve the existing level of protection of employees' life and health to meet current needs, and caring for the health of employees during the pandemic constituted such a current need. As a consequence, the court found that adaptation of measures could take the form of issuing an order to employees to inform the employer of foreign travel and that the employee's right to privacy did not outrank the protec-

tion of the collective interest in the health of all employees at the workplace. For the court, the life and health of all employees took priority. The court also stated that safety is a valid justification for violating the privacy of employees. The employer infringed the privacy of employees precisely to ensure the safety of the persons for whose health and safety it was responsible.

ROOM FOR IMPROVEMENT

A weakness of this judgment is the insufficient attention paid by the court to the protection of the employee's personal data and his right to privacy, which were almost completely marginalized. The court relied primarily on weighing values and prioritizing safety in the workplace and thus the life and health of other employees. Regardless of the court's noble intentions, it should also take into account important legal regulations governing the processing of personal data. While it is clear that there will be a trend in the case law toward giving priority to employees' safety rather than their privacy, the ineffectiveness of provisions of labor law that are more restrictive than the EU's General Data Protection Regulation must also be borne in mind. A way out of this stalemate could be a pro-EU interpretation of the Labor Code, but in practice, until the situation is directly regulated in proper legal acts or the Supreme Court of Poland adopts a resolution on this subject giving direction to the judgments of the lower courts, decisions in cases related to the processing of data related to COVID-19 will remain highly risky for employers and may have adverse consequences.

EXPERT Warehouse and logistics

MATURE AND STRONG

The industrial real estate market is becoming increasingly diverse.

The Polish industrial market has doubled in size, with its logistics stock rising from 11 million square meters at the end of 2016 to 22 million square meters in 2020.

The numbers clearly show that Poland has major competitive advantages in Central and Eastern Europe. The country is the region's largest market in terms of population size and the economy. A mature business environment, available employment pool as well as investment grants and tax relief—including property tax exemptions—and instruments co-financed by the European Funds all provide conditions that support business growth.

Benefiting from its excellent geographical position between the Eastern and Western European markets, its proximity to the German economy—the largest one in the union—and its well-developed road and rail infrastructure, Poland is favored by international logistics companies as the warehousing location of choice.

The country also boasts a strong internal market and offers local players a favorable business environment.

As a result, warehouse take-up hit a record high of 3.4 million square meters in the first half of 2021, ranking Poland among the top European markets.

Warehouse demand has considerably diversified over the last decade. Leases for very large warehouses are becoming increasingly commonplace. Buildings with an area of 50,000 square meters are no longer a rarity or an exclusive domain for e-commerce giants such as Amazon and Zalando. New

major market players are entering Poland while Polish companies are investing in developing growth. The first half of 2021 alone witnessed 13 leases for more than 25,000 square meters and nine for over 50,000 square meters.

Demand is also rising for small business units and last-mile delivery centers dedicated to serving local markets fast. The pandemic has made a new concept emerge. Dark kitchens, providing food and beverage opera-



Green logistics: Warehouse tenants are increasingly demanding that landlords implement sustainable solutions that would enable them to offset their environmental footprint.

tors with space for preparing and cooking meals for delivery only, are now being followed by the growth in dark stores, or warehouses offering courier delivery to customers' homes within up to 15 minutes.

New locations

Tenants have for years focused on Poland's core markets, including Warsaw (Zone 1 and Zone 2), Upper Silesia, Central Poland, Poznań, Wrocław, Tricity, Szczecin, and Kraków. Other locations that have been attracting strong interest in recent years lay in the area along the German border, especially

the vicinity of larger cities with good transport connections with Germany. Many companies are also looking with interest at Eastern Poland, Rzeszów, and Lublin.

Due to the rapid market growth and the increasing shortages of local labor, a growing number of logistics and manufacturing companies are exploring new markets and opening facilities in cities outside Poland's key logistics hubs: Kutno, Bydgoszcz, Toruń, Białystok, Kielce, and Częstochowa.

At the end of the first half of 2021, Upper Silesia and Western Poland had the strongest warehouse development pipeline, but historically, Warsaw has al-



By Katarzyna Pyś-Fabiańczyk, Head of Industrial Services Hub, Savills

Suit projects are no longer a rarity.

There is also a growing number of warehouses featuring additional doors and docks, more efficient sprinkler systems, a higher floor load capacity, improved lighting and ventilation, and customized solutions such as premises for storing hazardous products, freezers, cold stores, or light manufacturing space—all tailored to meet individual occupier requirements. The Build-to-Own (BTO) category is another solution becoming popular among not only manufacturers but also logistics operators and target clients. A BTO project is built to meet a client's individual requirements and becomes a freehold upon completion.

For over a decade, the market has seen many leases for a minimum of three years or even shorter periods if seasonal requirements are to be met. Short-term leases generally mean higher costs of securing a lease and higher rental rates per square meter and prohibit making any changes or adaptations to a leased facility.

New trends

Sustainable and green logistics is a new trend. Guided by a responsible approach to environmental issues, warehouse tenants are increasingly demanding that landlords implement not only appropriate technical improvements but also sustainable solutions that would enable them to offset their environmental footprint. Modern tools frequently help optimize operating costs by bringing down utility charges and maintenance costs. As well as being cost-effective, such solutions are often very simple to implement, especially when it comes to, for example, mounting solar panels or replacing lawns with flowering meadows.

EXPERT Sustainable economy

DEAR WASTE

EU objectives for the management of packaging waste come in Poland

The European Green Deal is one of the key items of the European Union's policy. Policies to reduce the volume of waste, increase sustainability and drive towards greater circularity are important components of the European Green Deal. An important aspect of it is dealing with the volume of packaging waste as well as other types of waste.

COMMON OBJECTIVES

Our civilization produces more and more waste originating from product packaging. Such packaging is usually dumped after purchase, contributing greatly to the production of a huge amount of waste that requires treatment.

The European lawmakers decided to tackle the problem by introducing new legislation. By 5 January 2023, EU Member States are required to ensure that national legislation complies with the new extended producer responsibility regime established by revised Directive 2008/98/EC of the European Parliament and of the Council of 19 November 2008 on waste, thus repealing the earlier directives.

The Polish government has been working on the implementation of the directive. On 5 August 2021, the Government Legislation Centre published on its website a long-awaited draft law on amending the Act on Packaging and Packaging Waste Management.

The draft aims to implement EU legislation to reduce the amount of waste produced, ensure high-quality recycling and the use of recycled waste, hence minimizing the negative impact on the environment and reducing health risks. It provides for, *inter alia*, the introduction of a new packaging fee and new

obligations for entrepreneurs selling packaged products. It also lists household and other packaging in the stream of products and packaging waste.

HOUSEHOLD PACKAGING

The key concept introduced by the draft is the extension of the liability of the packaging waste producers.

First, the draft provides the classification of packaging waste by distinguishing household packaging as a separate type of waste. Household packaging, therefore, is to be subject to an additional "packaging fee," which will be paid by the entity placing products in such packaging and successively on the market. The fee will go to support the construction and maintenance of a system for collecting and recycling this type of waste. The packaging fee would apply to up to PLN 2/kg of packaging. It will be payable monthly to the relevant Province Marshal Office. The collected funds will be transferred to the account of the National Fund for Environmental Protection and Water Management (NFOŚiGW). The fund will distribute the monies to municipalities, depending, among other aspects, on the recycling capacity of each municipality and their number of inhabitants. The rates of the fee, determined by the minister in charge of climate affairs, will be charged, *inter alia*, according to the type of packaging, its recyclability, and in particular, the amount of recycled material content in the packaging—this, after taking into account the revenue from reuse, sale of recycled materials and unclaimed deposits.

Significantly, household packaging will be subject to the existing product fee in addition to a



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packaging fee, while other packaging will only be subject to the product fee.

PLASTIC BOTTLES

The draft also contains separate provisions for plastic beverage bottles with a capacity of up to 3 liters. Any entity placing such items on the market will need to ensure that the bottles are made from a defined (and incrementally increasing) percentage of recycled plastic. Producers of non-recyclable plastic containers and plastic beverage containers with a capacity of up to 3 liters will be able to use plastic lids and caps from July 1, 2024, provided that they remain attached to the containers during the intended use phase of the product.

Companies placing products in packaging will be obliged to ensure proper management of packaging waste, including compliance with certain thresholds of waste recycling. Such obligation may be, in certain cases, discharged by the entity itself or by delegating such duty to the newly created organizations of producers. However, with respect to household packaging waste, the producer will need to pay the packaging fee on top of other fees and comply with the obligations personally.

PRODUCERS' RESPONSIBILITY

Any entity introducing packaged products will need to enter into a contract with a producers' responsibility organization to ensure proper management of packaging waste and performance of other duties provided for by the draft. Producers' responsibility organizations, when formed, will replace the existing organizations charged with packaging recovery. They will have to hold a permit issued by the minister in charge of climate affairs and in-

crease their share capital to PLN 5,000,000. In addition, they will be able to conduct only such business activities that are related to the management and recycling of packaging waste. The fees charged by such organizations will be subject to negotiations with the producers, although the minister for climate will define the minimum remuneration. The draft provides an incentive towards greater circularity—the minimum remuneration for a given class of waste will depend, *inter alia*, on the type of packaging, ease of recyclability and other such factors. The draft also stipulates that each producer's responsibility organization will be obliged to allocate at least 95 percent of the funds generated from fees collected to recycling and other activities related to packaging waste management. In addition, the organizations will be obliged to transfer 10 percent of their profit after income tax for the previous year to the NFOŚiGW.

OTHER CHANGES

The draft also introduces new provisions for producers, such as resigning from other recovery levels than recycling. It makes it mandatory to use labels indicating the method of separate collection of waste and introduces new rules for issuing detailed project reports and the documentation for confirming the export of packaging waste.

The Ministry of Climate and Environment has extended the deadline for public consultation and opinions on the draft and is currently in the process of replying to the submitted comments. The new law is expected to come into force on 1 January 2023.

EXPERT Corporate culture

SOLVING MULTIPLE INTEREST DILEMMAS

Managing a conflict of interest within an organization may be a challenge, but it does not have to be an insurmountable problem.

Conflicts of interest are nothing new in the business landscape. Due to the complexity of modern organizations, they do arise at some point. If managed properly, they should not be a problem. If not, they may turn into a serious issue for all concerned. A conflict of interest arises when an employee of an organization has competing professional commitments or personal/financial interests that could potentially affect the performance of his or her duties. The issues may touch on the private or personal sphere—involving family and friend—but also associations to which the individual belongs, with particular reference to private business relationships, investments, and holdings, as well as the so-called "circle of people" to whom he or she simply owes a favor.

Hiring your brother's daughter to do him a favor, allowing a friend who works for your supplier to circumvent a bidding process, or opening an additional business alongside your regular job that competes with your employer's business are all prime examples of conflicts of interest. Even if they are not significantly detrimental to your

business, they are still considered improper, non-transparent behavior that must be disclosed so that appropriate action can be taken. The most common forms of conflict of interest are nepotism, abuse of business opportunities, accepting benefits from third parties, close relationships with competitors, regulators or business partners, outside employment, and professional activities.

INTERNAL POLICIES

The key to managing conflicts of interest is employee awareness of company policies. From a compliance perspective, conflicts of interest can be viewed as both potential and actual events that must be managed. To assess whether a situation qualifies as a conflict of interest, it is necessary to take a close look at the situation and assess its immediacy to the company and the severity of its impact. After this assessment, further steps can be taken.

A failure to manage conflicts of interest can have negative consequences for an organization, such as reduced public confidence in the organization, as well as damage to its reputation. They take time, energy, and resources to

mend. Moreover, sometimes when a conflict of interest arises, the decision-making process in the organization may be compromised and hindered when it comes to its integrity and effectiveness. Consequently, inadequately or insufficiently managed conflicts of interest represent a significant risk also from the operational perspective. Every organization, big or small, should strive to create a culture of ethics and trust by making its own rules and setting values. Most often, this is done by setting the right tone at the top of the organization. Clear and open communication about the management of conflicts of interest should be part of such culture, making everyone aware of the need for transparency in the employee-employer relationship, especially where employees' relationships and actions outside the organization can resonate with the functioning of the organization.

Communication and training for employees also contribute to creating a safe environment in which they are not afraid to address and disclose conflicts of interest. Ultimately, the key to effective conflict of interest management is the right policy. Every company should establish a clear policy on what constitutes a conflict of interest and in which cases it should be disclosed. Such a policy should contain several key points:

- Clarify what types of relationships potentially constitute a conflict of interest and therefore must be disclosed;
- Describe how the organization defines potential financial interest;
- Identify an outline of the organization's procedure for



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handling, resolving, and recording conflicts of interest;

- Specify the obligation of employees to disclose actual or potential conflicts of interest;
- Explain consequences resulting from policy violations;
- Disseminate the policy not only within your organization but also to all stakeholders.

TRAINING AND AWARENESS

As always, with compliance, training is key. Certainly, putting policies into context will help employees better understand them. Interactive training that explains what conflicts of interest are, why they matter, and how employees should respond when faced with potential conflicts of interest will ensure widespread understanding and the actual support and availability of the people who make up the compliance function—the compliance officers—will ensure that the provisions of the policy are actually put into practice.

Every company, regardless of the industry it operates in, is susceptible to conflicts of interest. Unfortunately, it is partly human nature for conflicts of interest to occur even with the most trusted and reliable employee. The best a company can do is to create an environment in which such conflicts are not tolerated while clear boundaries define how conflicts of interest will be managed.

Conflicts of interest are not something to fear. It is critical to create a safe environment and a non-invasive process that encourages employees to report and disclose conflicts of interest in an open and honest manner.

EXPERT Taxes

VAT GOES DIGITAL

Once it is fully adopted by taxpayers, a new system for electronic invoicing offers a promise of simplifying fiscal procedures.

Starting January 1, 2022, Poland will impose provisions regarding electronic invoicing and the National System of e-Invoices (KSeF). With this, e-invoicing will apply exclusively to such taxpayers who will agree to use this new model of e-invoicing in their companies. However, according to plans from the Ministry of Finance, since 2023, all VAT payers will have to implement the e-invoicing system as they will be obliged to issue invoices through the KSeF system.

In the justification to the draft of the new legislation, the legislator indicated that the planned implementation of the e-invoicing structure would simplify the preparation of VAT settlement in Poland. This will apply to, among others, the corrective invoice settlement.

THE PERKS OF KSeF

Invoices are issued by taxpayers via the KSeF system, marked with an assigned number identifying the invoice in the KSeF system, which will be known as structured invoices. The system will also include an option to receive invoices documenting the taxpayer's purchases, which will require the recipient's approval. Expressing approval should

be carried out on the same terms as electronic invoices. The system will not support the buyer's approval process as to how to receive structured invoices. If the recipient of a structured invoice does not consent to receive invoices by using the KSeF, the issuer will retain the right to issue a structured invoice in the system. With that, the issuer will be required to provide the invoice to the recipient in another mutually agreed way, for instance, by email, in electronic form, or on paper. Such an invoice will retain the value of a structured invoice as it will carry its statutory features, such as the identification number in the KSeF system. Each taxpayer will have an individual account in the KSeF system. Taxpayers will be able to issue a structured invoice using the template available on the electronic platform of public administration services. To enable the adaptation of IT taxpayer's systems to the KSeF, the Ministry of Finance has already published on its website a draft version of the e-invoice logical structure. Invoices will be prepared directly in the taxpayer's financial and accounting programs and sent to the KSeF via the application programming interface. With this, an appro-

propriate authorization of the entered invoices will be required.

The provisions of the KSeF act also provide the possibility of granting authorizations to use the KSeF by "third parties" such as the company's accounting office or a specific natural person.

TAXPAYERS' BENEFITS

According to the Ministry of Finance, the introduction of e-invoices will bring a number of benefits for taxpayers, including:

- a faster VAT-refund for taxpayers, from the present 60 days to 40 days;
- electronic invoices will remain in the MF's database and will never be damaged or lost, thus eliminating a need to issue duplicates;
- taxpayers will not have to store invoices issued in the KSeF, as they will be kept in the system's archives for a period of 10 years—long enough for most tax liabilities to expire.

ITALY'S EXPERIENCE

Italy was the first EU member state to introduce e-invoices. Prior to that, the country's economy suffered from the largest amount of VAT fraud in the EU. The main purpose of introducing this solution was to reduce errors and prevent VAT fraud. The Italian e-invoicing model initially covered only business-to-government relationships. In time, however, the system was extended to business-to-business and business-to-consumer relations. In January 2019, it became obligatory for most entrepreneurs in Italy. According to the Italian government, the introduction of the system has brought about a revolutionary change for the better when it comes to



By **Magdalena Verdun**, Tax Advisor at Vistra Poland

securing the interest of public finances.

GOVERNMENT SCRUTINY

The justification of introducing the e-invoicing system made by the authors of the e-invoice provisions in Poland claims that it will help tighten the control of the correctness of VAT settlements and also simplify the process of controlling settlements with entrepreneurs as tax authorities will be able to remotely monitor the turnover documented by invoices.

The proposed solutions will also make it possible to increase the revenue of the state budget revenues as the VAT collection will become more effective at every stage of trade in goods and services.

In addition, the Ministry of Finance claims that the new regulations will significantly facilitate the settlement of trade between entrepreneurs. They can also contribute to the complete disappearance of manual invoicing processes if the pace of tax digitization does not slow down.

The combination of the proposed regulations with the already functioning SAF-T system—an international standard for the electronic exchange of reliable accounting data from organizations to a national tax authority or external auditors—will undoubtedly have a positive impact on the effectiveness of the tax authorities' fight against the so-called "VAT gap."

However, experts warn that the coming years may become hectic for taxpayers as they will be facing a host of new e-invoicing regulations.

EXPERT Labor law



By **Joanna Prokurat**, Tax Adviser, Tax Practice, Wardyński & Partners, and **Agnieszka Godusławska**, Advocate, Employment Practice, Wardyński & Partners

REMITTERS' CHOICES

Social insurance notification by a foreign undertaking of contracts for specific work

Whether a foreign undertaking should notify the Social Insurance Institution (ZUS) of contracts for specific work it has concluded is determined primarily by whether the undertaking has the status of a remitter of contributions within the meaning of Polish law. The obligation to report a contract for specific work (Umowa o Dzieło) to the Social Insurance Institution (ZUS) applies to an entity that has commissioned work to be performed, which is either:

- A remitter of contributions; or
- A natural person.

A foreign undertaking, which does not have a registered office in Poland, is obliged to report the conclusion of a contract for specific work if it has the status of a remitter of social insurance contributions in Poland. The status of a remitter may arise under any legal basis. For example, a foreign company employing workers in Poland who are mandatorily subject to social insurance, and on this account has the status of a remitter of social insurance contributions in Poland, should report the conclusion of a contract for specific work.

DETERMINING REMITTER

To determine whether a foreign undertaking has the status of a remitter of contributions, it is important to consider the country in which the undertaking is established.

Foreign companies with their headquarters in the European Union, the European Economic

Area, or Switzerland may have the status of a remitter of social insurance contributions in Poland, especially if they directly employ workers in Poland. For example, a company with its registered office in Germany employing a worker in Poland is the remitter of social insurance contributions on this account.

Therefore, a contract for specific work concluded by such a company with another person should be reported to ZUS.

However, undertakings based in the EU, the EEA, or Switzerland can "transfer" the status of remitter of contributions to the people they employ. Such a situation will occur if they enter into an agreement with a person employed from Poland on taking over the duties of a remitter. Regulation (EC) No 987/2009 laying down the procedure for implementing Regulation (EC) No 883/2004 on the coordination of social security systems provides for such a possibility.

For example, the same company based in Germany, which is a party to an employment contract with a natural person from Poland, does not have the status of a remitter if it has concluded agreements with all its employees in light of which it is for them to assume the obligations of a remitter. In such a case, the status of remitter should be held by those natural persons. This means that a contract for specific work concluded by such a company is not subject to notification to ZUS.

work concluded by such a company is not subject to notification to ZUS.

work concluded by such a company is not subject to notification to ZUS.

THIRD COUNTRIES

The obligation to report contracts for specific work will also not apply to undertakings from third countries (i.e., those with their headquarters outside the EU, the EEA, or Switzerland), regardless of whether they employ workers in Poland. Such undertakings do not have the status of remitters even if they employ workers. In such a case, the employees are subject only to

voluntary social insurance, and in the case of registration for insurance, they act on their own as remitters of contributions. For example, a company with its registered office in the US will not be obliged to report a contract for specific work to ZUS.

BREXIT ASIDE

It should be noted that despite Brexit, the EU–UK Trade and Cooperation Agreement confirms the continuation of the existing rules for being subject to social insurance. Therefore, the idea is that the rules described above for undertakings from the EU, the EEA, or Switzerland should also apply to UK undertakings.

CONDITIONS FOR ZUS NOTIFICATION

Notwithstanding the foregoing, a contract for specific work need not be notified to ZUS when the contract:

- Is concluded with one's own employee (the person performing the work is at the same time an employee of the undertaking for whom the work is to be performed);
- Is performed for one's own employer but concluded with another entity—the contractor for the work is an employee of the company for which he or she is to perform the work, even if the contract for specific work was concluded with another entity; or
- Is concluded with persons conducting business activity for the provision of services by them, falling within the scope of their activity.



New rule: The obligation to report a *Umowa o Dzieło* contract to the ZUS applies to an entity that is either a remitter of contributions or a natural person.

Monthly Meeting in September

Staying IN THE LOOP

The main issues discussed during the 30th Economic Forum in Karpacz held in early September were on the agenda of the AmCham September Monthly Meeting. The panelists were Mariusz

Mielczarek, Regional Director CEE, Public Policy at Amazon, and Co-chair of the AmCham Digital Economy Committee; Prof. Eliza Przeździecka, AmCham Chief Economist; Krzysztof Krawczyk,

Partner, Head of Poland at CVC Capital Partners; Paweł Gruza, Vice President, KGHM Polska Miedź; and Konrad Ślusarczyk, Head of Government Engagement for CEE at Visa. The meet-

ing, held in a live-and-virtual mode, was moderated by Tony Housh, AmCham Chairman (Northrop Grumman). The venue was the Warsaw Marriott Hotel.



1. Tony Housh AmCham Chairman (Northrop Grumman); Paweł Gruza; Krzysztof Krawczyk; Eliza Przeździecka; Mariusz Mielczarek; Konrad Ślusarczyk. 2. Dominika Fox-Matulewicz, AmCham Executive Director; Marcin Petrykowski, Atende S.A. 3. Paweł Gruza; Tony Housh. 4. Mariusz Mielczarek; Marzena Drela, AmCham; Konrad Ślusarczyk. 5. Tony Housh; Krzysztof Krawczyk. 6. David DeBenedetti, DeBenedetti Majewski, Szczęśniak; Tim Hyland, Travel Express. 7. Anita Kowalska, AmCham; Beata Posyniak, Marketing House; Marta Kokozska, Amazon Web Services; Marzena Drela, AmCham; Ryszard Posyniak, Marketing House, Dominika Fox-Matulewicz.

Business Mixer in September

Executive REUNION

In September, AmCham and InterContinental Warsaw Hotel joined forces to hold the AmCham Back to Business Mixer. It was the first live event held by AmCham since

March 2020. While InterContinental Warsaw Hotel was the Exclusive Sponsor, the Supporting Sponsors were Wyborowa Pernod Ricard and Forever Living Products.

Strict pandemic safety measures had been taken, including that only one person could represent a member company. The condition for participation was that the per-

son presented a certificate of complete vaccination against COVID-19, or proof of recovery, or a negative coronavirus test issued by a medical facility.



1. Britta Kutz, General Manager, InterContinental Warsaw. 2. Dominika Fox-Matulewicz, AmCham Executive Director; Britta Kutz. 3. Sylwia Piekarska, Boston Scientific; Marzena Drela, AmCham; Dominika Fox-Matulewicz; Marta Błazik, Bristol Hotel. 4. Grzegorz Szczepański, Jarosław Sutarzewicz, H+K Startegies. 5. Michalina Sobolewska, ExxonMobil; Randy Mott. 6. Agnieszka Jankowska, AmCham Board (GE); Dominika Fox-Matulewicz; Anna Surała, Institute of Eastern Studies. 7. Adam Borowski, Kovas; Anita Kowalska, AmCham; Amit Lath, Indo Polish Chamber of Commerce & Industry. 8. Barbara Pocialik, AmCham; Joanna Bąk, Steelcase. 9. Maciej Chotkowski, Point 72; Katarzyna Kopacz-Zakrzewska, Janssen-Cilag; Mateusz Gerlach, CMS; Marta Dąbrowska, PwC; Oktawia Rączy, MSL; Bartosz Kubiak, CEC Group.

AmCham Monthly Meeting in October

Talking SCIENCE

The role of Polish innovation was on the agenda of the AmCham Monthly Meeting in October with

guest speaker Piotr Dardziński, President of the Łukasiewicz Research Network. The venue was

the Warsaw Marriott Hotel. The meeting had a hybrid form with a live audience admitted based on

the Covid-19 vaccination certification of each attendant.



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1. Tony Housh, AmCham Chairman (Northrop Grumman); Jolanta Jaworska, AmCham Vice-Chairman (IBM); Piotr Dardziński, President of the Łukasiewicz Research Network. 2. Piotr Dardziński delivers his presentation. 3. Dominika Fox-Matulewicz, AmCham Executive Director; Dariusz Matczak, Amazon Web Services. 4. Marzena Drela, AmCham Operations Director; Marek Matraszek, CEC Group; Dominika Fox-Matulewicz; Jerzy Bochyński, Institute for Eastern Studies. 5. Mateusz Jurczyk, AmCham; Dorota Jędrzych, Sharespace; Adam Borowski, Kovas. 6. Tony Housh; Dominika Fox-Matulewicz; Marcin Chodecki, Panattoni Europe.

AmCham Business Mixer in October

Celebrating HIGH SPIRITS

The Champions Sports Bar at the Marriott Warsaw Hotel was the

venue of the AmCham Halloween Business Mixer in October. The at-

tractions included a Halloween costume contest, a raffle, and

great ghost-themed food and drink.



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1. Dominika Fox-Matulewicz, AmCham Executive Director; Mariusz Paszkiel, Warsaw Marriott Hotel. 2. Dominika Fox-Matulewicz; Anita Kowalska; the winners of the AmCham Halloween Costume Contest: Maciej Klonowski, Joanna Klonowska, Gallo; Beata Posyniak, Ryszard Posyniak; Tony Clarey; Mariusz Paszkiel. 3. Jan Pilewski, Play P4; Michał Potyrała, Agnieszka Rogowiec, PwC; Anita Kowalska, AmCham; Jacek Lewandowski, EY. 4. Marzena Drela, AmCham Operations Director; Magdalena Maciejewska, Sheraton Grand Warsaw. 5. Dominika Fox-Matulewicz; Daniel Martyniuk, Deloitte; Agnieszka Śpionek, Mastercard. 6. Karol Witaszek, AmCham; Tony Clarey. 7. Katarzyna Kotiuk, Anita Kowalska, AmCham. 8. The mixer in full swing. 9. Anita Kowalska, AmCham; Marek Matraszek, CEC Group. 10. Eliza Przeździecka, AmCham; Magda Pavlak-Chiaradia, ERM. 11. Oleksandra Sopova, Mondelez; Michalina Sobolowska, ExxonMobil; Tony Clarey; Mateusz Jurczyk, AmCham Kraków & Katowice Director; Wojciech Choczaj, Whirlpool; Vazha Krichashvili, NCR; Agata Suder, JLL.

AmCham Kraków & Katowice Premiering A THRILLER

In October, AmCham Kraków & Katowice held a business mixer devoted to the launch of *Arka*—the Polish edition of a noir thriller *The Ark*, authored by John Lynch, Am-

Cham Board Member (Lynka). US Consul General in Kraków, Patrick Slowinski, was the Guest of Honor. Another notable guest was Prof. Karolina Mania from the Jagiellon-

ian University, Chairman of the Kościuszko Foundation Alumni Association. The venue was the Sheraton Grand Kraków Hotel.

The mixer was the first AmCham live event in Kraków after a 596 day-long break caused by the pandemic.



1. John Lynch, AmCham Board Member (Lynka). 2. Patrick Slowinski, US Consul General. 3. Dominika Fox-Matulewicz, AmCham Executive Director. 4. Prof. Karolina Mania; John Lynch. 5. Tomasz Miśniakiewicz, Aptiv; Matusz Jurczyk, AmCham Kraków & Katowice Director. 6. A happy raffle winner, Yossi Wircer, Holiday Inn Kraków; John Lynch. 7. A happy raffle winner, Agnieszka Pala; John Lynch. 8. Monika Lux-Huserik, Motorola; Honorata Ścisłowicz; Paweł Mroziak, Sheraton. 9. Anna Zemła, GE Healthcare; Dominika Fox-Matulewicz; Sławomir Kumka, IBM. 10. Rafał Oprocha, CBRE; Jan Małolepszy, Pegasystems; Sławomir Kumka, IBM; Jarosław Maślanka, Pegasystems. 11. Rafał Kulczycki, Marcian Wujczyk, Wardyński & Partners. 12. Marcin Mikos, Bartosz Kurek, Philip Morris. 13. Andrzej Siess; Dominika Fox-Matulewicz; Bartosz Kurek.

30 Under 30 Moulding YOUNG TALENT

AmCham launched the 7th edition of the mentoring program for young business leaders, 30 Under 30. This year, the participants represent Amway Business Service Centre Europe, Aptiv, Brown-Forman, C.H. Robinson, CEC Group, Janssen-Cilag, JLL, JP Morgan Chase & Co., Lumen Technologies, Mastercard, Mattel, McDonald's, Microsoft, Mondelez, Mo-

torola Solutions Systems, MSL Group, NCR Corporation, Novartis, Pegasystems Software, PM Group, Point72, Polityka INSIGHT, PwC, Santander Bank, Procter & Gamble, Uber, and Whirlpool Corporation. The kick-off meeting took place in September at the AmCham office, with Tony Housh, AmCham Chairman (Northrop Grumman), delivering the opening remarks

and the participants introducing themselves. The first session was held in October, with speaker Mark Boris Andrijanič, Minister for Digital Transformation of Slovenia and former Head of Public Policy CEE at Uber, who talked about the benefits of a professional career, which includes both the public and private sectors. The networking part of the meeting included Marcin Moczysz, and

GM CEE Uber Rides, and Michał Konowrocki, Head of Poland at Uber. The venue was the Uber office in Warsaw. The 30 Under 30 program is managed by Matusz Jurczyk, AmCham Kraków & Katowice Director. Each edition caters to 30 selected individuals aged below 30 from AmCham member companies.



1. The participants of the October session with Mark Boris Andrijanič. 2. Tony Housh delivers opening remarks at the program kick-off session in September. 3. The session with Mark Boris Andrijanič in progress. 4. Matusz Jurczyk, who manages the 30 Under 30 program, welcomes the participants. 5. The inaugural session in progress.

AmCham Business Mixer in November

Reminiscing FOR A WHILE

In November, the AmCham members and friends met to celebrate the launch of the premiere novel,

The Ark, authored by John Lynch, AmCham Board Member (Lynka) and AmCham Kraków Founder,

who shared his thoughts on his 30 entrepreneurial years in Poland, interviewed by acclaimed Interna-

tional Affairs Journalist, Kamil Turecki. The venue was the Warsaw Marriott Hotel.



1. John Lynch, AmCham Board Member (Lynka), and Author. 2. Tony Housh, AmCham Chairman (Northrop Grumman); Kamil Turecki; John Lynch. 3. Dominika Fox-Matulowicz, AmCham Executive Director; Krzysztof Szubert, Prime Minister's Deputy for European Digital Policy. 4. David DeBenedetti, DeBenedetti Majewski, Szcześniak; John Lynch; Robert Grader, Warsaw Marriott Hotel. 5. John Lynch; Marzena Dreła, AmCham Operations Director. 6. John Lynch with the AmCham team: David Dolhomut, Dominika Fox-Matulewicz, Justyna Sekuła, Mateusz Jurczyk, Marzena Dreła, Anita Kowalska, Karol Witaszek. 7. Agnieszka Jankowska, GE; Anna Jaros, US Embassy; Dorota Dąbrowska-Wintersheid.

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