

# AmCham.Pl QUARTERLY

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in Poland



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# AmCham Advisory Council

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



## IT'S YOUR AMCHAM



## IT'S YOUR DEBATE

"American investors comprise the largest group of new investment projects currently in the pipeline at PAIH. If all American projects that PAIH now is working on materialize, they would add 2,000 new jobs to the economy."  
**Krzysztof Drynda, the Polish Investment and Trade Agency PAIH, p 9**

"To be efficient, investors need to have a stable and foreseeable regulatory environment, including those regulations that aim to help them manage their risks in the years to come."  
**Jolanta Jaworska, AmCham Vice Chair, p 10**

"Poland should do more to persuade other countries to be more open-minded about digital cooperation with the US. This is about the future of transatlantic cooperation. It is in our mutual interest to reinforce it because most of the rest of the world is not so friendly and is rather competitive. This is something that should unite us, not divide us."  
**Mariusz Mielczarek, Amazon, p 11**

"Energy is not just about megawatts but the lifeblood of the democratic market society."  
**Tony Housh, AmCham Chairman, p 18**

"Nuclear is supposed to be in Poland in 10 years from now, offshore in 5 years. But time is running out and we need a strong renewable energy sector in 2-3 years."  
**Jerzy Kozicz, President of CMC Poland, p 19**

"At Citi Handlowy and Citi we have been actively supporting investors, governments and corporations in their transition to a low carbon future. In this respect, we are the transition bank."  
**Elżbieta Czetwertyńska, Citi Handlowy CEO and Citi Country Officer Poland, p 22**

"The nuclear deal will also forge a center of future partnership in the energy sector between Poland and the US which will create thousands of clean energy jobs in both our countries for over a decade."  
**Mark Brzezinski, US Ambassador to Poland, p 21**

"The need to use cars in the city center will be supplemented by a perfect public transportation system."  
**Rafał Trzaskowski, Warsaw Mayor, p 30**

"We believe it is our responsibility to use our resources and global capabilities to help alleviate human suffering in our communities."  
**Mariusz Mik, Vice President Ground Operations, Eastern Europe, FedEx Express, p 32**

"When American companies think about whether to invest in Poland or not, they will decide to invest after all, because of the positive experience of American companies in Poland."  
**Łukasz Kowalski, MSL Group, p 11**

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.

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.

# YOUR AMCHAM



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# 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](https://amcham.pl/advocacy).



### WINDFALL TAX

In response to rising energy costs and high inflation levels affecting the economy, industrial production, and individuals, the government has prepared a number of legal solutions to freeze energy prices at certain levels. Financing was to be ensured by the introduction of a windfall tax. According to the media and information from the Ministry of State Assets, the first proposal of changes aimed to introduce a windfall tax on all companies operating in Poland who employ over 250 employees and have an annual net turnover from the sale of goods, products and services, and financial operations exceeding the PLN equivalent of EUR 50 million.

Upon feedback from the private sector, the government withdrew from working on implementing such solutions. AmCham's position and involvement supported the change of the decision.

However, the windfall tax introduction was also raised by the Council of the European Union at the meeting on September 30, at which the EU Member States agreed to introduce a mandatory temporary solidarity levy on the profits of companies operating in the oil, natural gas, coal, and refineries sectors. The solidarity contribution would be calculated based on taxable income, as determined by national tax laws in a tax year beginning in 2022 or 2023, that exceeds the 20 percent increase in average annual taxable income from 2018.

### SUPPORT FOR UKRAINE

AmCham has been actively reacting to the war crises in Ukraine, providing humanitarian help, supporting companies with their problems, and providing advocacy actions to improve the efficiency of rules regarding support for Ukraine.

Recently, AmCham, acting at the request of AmCham UA, sent a letter containing recommendations aimed at increasing the transport potential of Polish and Ukrainian border crossings and shortening the time of border control.

Due to the war in Ukraine and the blocking and mining of Ukrainian ports and waters, efficient crossing and border control on the Poland-Ukraine border is crucial for humanitarian aid, the civilian population, and business. With that in mind, AmCham submitted its proposals to the Minister of Finance, the Chief Inspector of Road

Transport, the Minister of Agriculture and Rural Development, Minister of the Interior and Administration, Minister of Infrastructure, and the Ukrainian Ambassador to Poland.

The AmCham letter is available on our website.

### AMENDMENT OF TRADE UNION ACT

The Parliamentary Committee on Digitization, Innovation, and Modern Technologies proposed significant changes to the Polish Trade Union Act that will affect all companies using innovative technologies as part of their operations. According to the amendment, the employer is obligated to provide, at the request of the company's trade union organization, information on the parameters, rules, and instructions on which the algorithms or artificial intelligence systems are based. This, in turn, affects decision-making and may affect working and pay conditions, access to and retention of employment, including profiling.

The proposed amendment aims to adapt the act to today's changing technological realities. According to the presented justification, employees may never meet their supervisor, and in some instances, the supervisor is even on a different continent. Their work is supervised, regulated, and assessed by algorithms, often using AI mechanisms. This creates situations where the employee does not know the work standards that are applied to them, or the criteria by which they are assessed. As a result, they work harder and harder, fearing losing part of their salary or being dismissed from work. Such information asymmetry is conducive to exploitation and bypassing the Labor Code's provisions. The proposed regulation would allow trade unions to check what standards apply in the workplace.

At the same time, the European Union is working on a directive to improve working conditions through online platforms, which broadly deals with the discussed issue, contrary to the proposed draft act. This draft does not sufficiently specify what data would be transferred and does not consider the protection of businesses' sensitive information.

Considering the importance of the legal changes for employers operating in Poland, AmCham is working on its position paper. The draft act is currently at the stage before the first reading in the Parliamentary Committees.



DEAR AMCHAM MEMBERS,

As 2022 draws to a close, I would like to thank you all—our members, Advisory Council supporters and our partners in policy making—for a year of great cooperation, dialogue and intense effort to improve the investment climate and grow the Polish economy. We are indeed stronger together and all of your efforts are appreciated by the AmCham Board of Directors and the AmCham Team.

During a time of unprecedented challenge in the second half of this year, we have continued to meet and engage on critical business, social and security issues at important gathers in Karpacz, at the Warsaw Security Forum, MSPO and AmCham Energy Day. You can read more about the Karpacz Forum and Energy Day in this issue of *AmCham Quarterly*.

Our advocacy efforts on a wide range of issues from energy to the windfall tax continue on a daily basis. The latest Advocacy Bulletin demonstrates the depth and breadth of these efforts on behalf of our membership and the wider market. Of particular note, I would like to thank our AmCham team and so many member companies for the ideas proposed during the previous months that helped us clearly communicate to all stakeholders the pros and the cons of draft legislation.

While we work on the issues that affect our business, it is also vital we communicate the positive impact that our investments have in Poland. I invite you, along with Amb. Mark Brzezinski, to watch and share #AmericanHighlights on Twitter, a video series that focuses on a number of innovative companies from the AmCham membership. We look forward to telling more of the many, very positive stories from all of you.

AmCham continues to support our partners at AmCham Ukraine through advocacy, hosting and shared meetings with US and Polish government officials. We are also committed to our support of Corporate Aid for Ukraine—the winter will be long and spring slow to come, so please consider what you and your company can do at any level to support [www.cau.org.pl](http://www.cau.org.pl).

2022 is busy down to the wire, and it has been a productive time for AmCham as we, the US investment community, all work to deal with rising costs, inflation, labor market challenges and the continuing war started by Russia against Ukraine. Your support and input is invaluable to our common goal and mission of a prosperous Poland.

AmCham has also seen change, with the arrival and departure of several staff members—however, the core team that serves us so well is in place and driving our work forward. Please reach out to me if you have ideas or issues, or to the AmCham Executive Leadership Team of Marzena Drela, Director of Operations, and Marta Pawlak, Director of Public Policy & Advocacy.

There is much to do together in 2023 and I look forward to working with you in the new year. Ever forward.

Best regards,

TONY HOUSH  
AMCHAM CHAIRMAN

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# 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*. Published in 2022:

**Vol. 1/2022: Energy Transformation in Poland.**

**Vol. 2/2022: Polish-American Trade Relations. Exports to the United States—Current Status and Future Prospects.**

Past issues are available at: [amcham.pl/news/type/reviews](https://amcham.pl/news/type/reviews)



This year's meetings and discussions at the 31<sup>st</sup> Economic Forum in Karpacz revolved around economic crisis and the war in Ukraine. Many conference participants stressed that companies have learned to face the enormously difficult challenges in both the political, economic and social spheres, which today's world is shaping in ways that are impossible to predict.

## PRICES DRIVEN BY ENERGY AND COSTS OF LABOR

Repeatedly cited by companies, the most important factor determining everyday economic life is inflation. According to economists, global GDP will continue to decline until Q3 2023. The current pressure to raise wages up to a certain point, which depends on the cost of capital (interest rates), will translate into higher prices, while in a few months it could lead to a reduction in employment. The specter of the crisis also brings the risk of a rapidly changing exchange rate of the PLN to world currencies (USD and EUR), which also increases uncertainty in the management of economic processes — one of the most frequently indicated barriers to stable development in the market.

The pressure to seek savings in the face of rising production costs should, according to some manufacturing companies, translate into search for innovative solutions. With today's needs for energy savings, becoming zero-carbon, and supply and inventory management, many companies recognizing these ongoing mega-trends can respond appropriately to changing consumer expectations and attitudes while maintaining their competitiveness. However, new products are a change under uncertainty that only the most courageous will choose to make.

## POLAND'S INVESTMENT ATTRACTIVENESS

In the opinion of US companies in Poland, whose representatives met during discussion panels organized by AmCham, the medium and long-term outlook for interest in Poland is optimistic. In the context of recent developments in the Central European region, Poland may be a beneficiary of change. Companies closing their operations in Russia are increasingly looking towards the Polish market, seeing opportunities for growth here. Risk and uncertainty are shaping and conditioning the economic climate in the short term but bring many opportunities for the future. However, the rising cost of capital is not to be overlooked, which in the long term can significantly reduce business growth potential. Poland's investment attractiveness is increasingly being assessed through the prism of investment stability and predictability. In statements made during the Economic Forum, investors stressed their increasingly smaller role in the legislative process. Meanwhile, business needs predictability and stability, because only in such conditions can it plan large development investments in the long term.

A key theme from this area was also related to monetary and fiscal policy, which, it was stressed, should be synchronized for efficient economic policy.

## LABOR MARKET

The topic of the labor market came up repeatedly in con-

versations during the forum. First of all, the importance of education and investment in this area was emphasized, which can provide the opportunity to train managers and specialists with the competencies needed in each industry.

According to business representatives, the role of enterprises is to support the educational system for the personnel of the future. Meanwhile, the government should identify needs and coordinate activities.

This is particularly evident in business services, which are changing so rapidly that the labor market constantly has new needs as to the competencies and skills of employees. This underscores the need for state institutions to become more active in studying trends in the demand for skills and the needs of companies in terms of employee skills. For it is not the cost of labor, as before, but the quality and competence of workers that determine the location of investment projects in Poland. Undoubtedly, a new phenomenon that is slowly spreading in the market and is being used more and more in the face of insufficient labor supply is process delegation, task-based hiring. The gig-economy, a phenomenon that has been known for some time in the United States, is slowly taking shape and gaining popularity in Poland as well. In such situations, the employee has much more flexibility in choosing the mode and model of work. Especially young employees from the so-called "Generation Z" are in favor of this flexible form of cooperation and are increasingly willing to opt for such employment.

## TECHNOLOGICAL LEAP-FROG

In recent years, there have been tremendous advances in digital technologies around the world and in Poland in particular. Numerous high-tech businesses, especially American ones, have become partners with state institutions to achieve public goals in creating and providing modern solutions.

Cloud storage of data has become widespread practice. Concurrently, this is followed by market regulation activities that are part of the trend of digital sovereignty. In this case, the business side proposes a strategic interdependence approach, which is much more forgiving without losing the essence of autonomy and sovereignty for security, which is undoubtedly a necessity.

The forthcoming investments of the state sector for the development of information technology and cybersecurity will, according to state officials, be carried out with PFR funds. It is also worth mentioning the attempts to create a secure foothold in Poland for companies, especially in the IT sector, from Ukraine or Belarus. Polish Harbor has so far attracted the most projects from Belarus, and our IT market has gained additional specialists as a result.

This year's Economic Forum was an opportunity to exchange views and comments from various areas of socio-economic life, in which we can identify challenges today that we often see for the first time. Many of them can be a threat to stable growth, but also an opportunity to find a new path and a new reality, which we will come to comment on in Karpacz next year.

## AGENDA

### INTELLIGENCE FROM AMCHAM COMMITTEES

#### DIGITAL ECONOMY

The committee met in September to discuss the provision of the Omnibus Directive—a regulation designed to modernize consumer protection across the European Union. The speakers were Agnieszka Zwierzyńska, Advocate at Łaszczuk i Wspólnicy; and Michał Pietrzyk, Attorney-at-law at the same law firm; and Wojciech Janik, Attorney-at-law, Managing Associate at Deloitte Legal. The speakers presented a range of communication areas that will be impacted by the directive, such as the ways in which vendors can inform consumers about price discounts, product reviews and product quality, and discussed the best practices that online retailers should use to stay on the safe side vis-a-vis the scrutiny from the market watchdog—the Office of Competition and Consumer Protection.

#### HR MANAGEMENT

In October, the committee met to discuss the anticipated changes to the Labor Law, with speakers Małgorzata Grzelak, Squire Patton Boggs, Labor, Employment and Immigration Partner (and the committee's co-chair); and Anna Wicha, Head of Strategic Accounts for Eastern Europe, Middle East & North Africa in Adecco. Items under discussion included remote work, minimum wage, and laws on the employment of foreigners. In November, the committee met Monika Fedorczyk, Director of the Warsaw Labor Office who talked about a pilot project undertaken by the office through which senior citizens who expressed interest in employment were matched with potential employers in Warsaw. The speaker said that multigenerational teams deliver value for employers and senior citizens are loyal employees and would think twice before taking sick leave. Yet, due to existing stereotypes, employers are generally not prone to post offers for senior citizens.

#### MARKETING & COMMUNICATIONS

In October, the committee met Wojciech Surmacz, President of the Polish Press Agency PAP, who talked about an open source tool, Fake Hunter, developed for PAP in 2020 to help the news agency verify news online regarding the Covid pandemic in Poland. The service has lived past the pandemic and is now available at [fakehunter.pap.pl](https://fakehunter.pap.pl). It is a social project which enables its participants to send feedback on suspicious news published online. The service has journalists who verify information but also cooperates with fact-checkers who are volunteers, mostly experts in different fields, verified by PAP.

The service is also available as a mobile app. After the Russian invasion, in March, the service extended its expertise areas to geopolitics.

The service is hosted in the cloud by Amazon Web Services. Since its creation two years ago, 2,500 fake news pieces of information it received for verification. The guest said that having analyzed the news and where they came from it transpired that 90 percent of fake news for Poland about the war in Ukraine, the Covid pandemic and G5 technology come from the same sources.

#### REAL ESTATE

In November, the committee met with Łukasz Bączyk, Head of Tax at ASB; and Paweł Józwiak, Senior Manager and Attorney-at-Law at the same company to discuss new regulations for real estate companies regarding taxation that stem from the New Deal—a comprehensive taxation reform introduced by the government in 2022. Discussed were changes resulting from the August 2022 CIT amendment, the collection of withholding tax and the new, simplified procedure to reduce taxes on income from real estate property. The speakers also presented some best practices on how to deal with the new regulations and outlined the main challenges for real estate companies in dealing with tax authorities.

#### SUSTAINABILITY

The committee met in September with Małgorzata Szewc, Senior Specialist at the Department of Efficiency of Public Expenditure and Accounting at the Ministry of Finance; and dr. Aleksandra Stanek-Kowalczyk, Managing Director of SAPERE, a business advisory firm, to discuss the provisions of the Corporate Sustainability Reporting Directive. The speakers presented changes in ESG reporting obligations, the timetable for entry into force, and discussed the implications for American compa-


nies, including foreseen penalty fees, samples of sustainability reporting standards, and the responsibilities of "third country" companies regarding their sustainability reporting requirements.

In November, the committee met in 3M's Superhub in Wrocław to discuss ways in which manufacturing companies can increase energy efficiency and optimize their business through digitalization. The meeting was organized as a panel discussion of experts. The speakers were Dominika Kawala from 3M; Roman Sitko from Mondelez; Marcin Szybiak from Whirlpool; Maciej Zielinski from Siemens; and Artur Klimek, Associate Professor at Wrocław University of Economics, who talked about current economic challenges and how they may shape up in the near future. The discussion was moderated by Ewa Mikos, Sustainability Committee Co-Chair, representing Siemens.


#### TAX AND FINANCIAL SERVICES

Changes in corporate income tax (CIT) for 2023, and tax cost effectiveness were on the agenda of the committee meeting in September. The speakers were Aleksander Sipiór, Senior Manager at E&Y Tax Advisory Department; and Jakub Szarłowicz, Manager at E&Y Tax Advisory Department in Katowice. The meeting was moderated by Adam Soska, Co-Chair of the Tax Committee (E&Y). The speakers summarized key planned changes in CIT to be introduced next year, including withholding tax, deferred income tax, and highlighted changes in the accounting of debt financing costs. They also discussed currently available opportunities for improving cash flows, using incentives and tax reliefs available under Polish CIT law, such as R&D tax credit, innovative employee relief, IP Box, relief for prototypes, and robotization relief.

JOIN THE DISCUSSION!



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## COVER STORY

# FURTHERING BUSINESS CAUSES

By Tomasz Ćwiok, Editor, *AmCham.pl Quarterly*



The AmCham Diner at the Economic Forum in Karpacz created opportunities for forum participants to socialize and discuss important issues for the Polish economy.

## AMCHAM TAKES THE INTERESTS OF AMERICAN INVESTORS IN POLAND TO THE NEXT LEVEL AT THE ECONOMIC FORUM IN KARPACZ

In September, AmCham took part in the largest annual gathering of international businesses that included business-supporting government agencies, high-level government representatives, NGOs and other stakeholders—the Karpacz Economic Forum 2022.

Although it was only the second time that the gathering took place in Karpacz, the forum had been previously held in Krynica for 29 consecutive years. For AmCham, it was the 10<sup>th</sup> consecutive time that it brought to the forum its AmCham Diner, which once again became one of the most popular meet-

ing places for forum participants. It served as a vibrant area for meetings and media interviews, and a place where business and government representatives could meet to discuss the future of the Polish economy. It hosted an HSBC-sponsored cocktail party; a stakeholders' breakfast held by the AmCham Pharmaceutical Committee devoted to investing in healthcare; and an exclusive meeting devoted to the global economic outlook, with special guest Janet Henry, Global Chief Economist at HSBC. It also hosted a technology roundtable with representatives of AmCham companies and gov-

ernment experts, and a breakfast for AmCham members and government representatives to discuss the Polish government's priority areas for climate transformation.

By partnering with the Economic Forum in Karpacz, AmCham made its mark upon the event not only by providing a popular place for forum participants to socialize over meals and drinks provided by Diner Sponsors, but, with four AmCham discussion panels that were part of the forum program, AmCham managed to showcase the positive role that American investors have played in the

Polish economy over the last three decades, and allowed the representatives of AmCham member companies to share their opinions on a range of issues, including how they approach the current economic crisis; how they implement ESG in their corporate strategies and their expectations regarding regulatory issues.

Arguably, the best rendition of the spirit in which American investors appeared in Karpacz was offered by AmCham Vice Chair Jolanta Jaworska (Governmental Programs Director, IBM Poland & the Baltics) who said in a televised interview with TVN24/TVN BiS (a private television station and AmCham member company which held its live studio at the AmCham Diner throughout the forum) that, despite the economic crisis, investors perceive Poland as a strategically important place for developing business. Strategically thinking, said Jaworska, in this complex economic and geopolitical reality investors also seek opportunities to thrive. "American companies have invested heavily in Poland and would like to continue this trend because they see opportunities to grow, hire new staff and cooperate with the public administration and NGOs," Jaworska said. She added that when Poland is undertaking the heavy challenge "to transform its economy to Industry 4.0, and simultaneously, the Polish energy sector is about to start the green transformation, technology is key in solving these challenges." Yet, she noted, "to be efficient, investors need to have a stable and foreseeable regulatory environment, including those regulations that aim to help them manage their risks in the years to come."

Andreas Maierhofer, CEO of T-Mobile Polska, also expressed this notion, by saying in an interview with TVN24/TVN BiS that Industry 4.0 involves digitization of processes and connectivity. "Our responsibility is to provide the base connectivity including the 5th generation of mobile networks," he said, adding that besides connectivity, "telecoms play the important role in providing consumers with mobile services."

### MEANINGFUL TECHNOLOGY

Ever since the Stone Age, technology has been one of the main drivers of human progress. The impacts of technology on different spheres of people's lives—the economy and how we work, communicate and do business with each other—have never been greater and more profound.

It is an ongoing process, and some of the impact spheres were discussed at the Economic Forum in Karpacz by the panel of experts moderated by Jolanta Jaworska. The panel was entitled "Technological Opportunities—the role of American technologies and innovations in building digital security in Poland and the world" and the experts were Marcin Krasuski, CEE Government Affairs and Public Policy Lead at Google; Marcin Moczysz, Oper-

ations Director CEE at Uber; Dominika Stepińska-Duch, Law Department Director at Warner Bros Discovery; and Marek Żółtkowski, Senior Regulatory Manager at BAT. The government side was represented by Paweł Lewandowski, Minister at the Chancellery of the Prime Minister, who has significant experience in regulatory issues on technology and innovation, and having completed Executive MBA programs from Stanford Research Institute International and Queen Hedvig Academy in Innovation Management is privy to the highest standards in technology administration. In his opening remarks, Minister Lewandowski commended the technology sector for its positive impact on the lives of millions, and singled out American companies for offering cloud services to the Ukrainian government and hosting its data, thus allowing the war-ridden country to provide basic services for its citizens. What is more, the Polish government could also tap into this data and thereby has been able to deliver citizen services to millions of Ukrainian refugees living in Poland. The minister said that this shows in the best way the importance of technology for the public sector. However, the problem behind the international use of IT technology lies in different regulations governing internet intermediacy, personal data transfers and cloud computing that exist in different jurisdictions.

Minister Lewandowski said that there are no regulatory standards in those areas across the EU countries, which is why, among EU countries, Poland is a strong proponent of establishing "some common standards in digital regulations for the protection of personal data, IT infrastructure and cybersecurity". With this, the Polish government hopes the EU will eventually agree upon standards which are acceptable to American companies as well. "We share the same values but we differ in how we approach legal systems and the economy," Minister Lewandowski said.

The speaker added that the Polish government is also a strong proponent of digital sovereignty—that a state and its government must establish its authority to exercise its powers in cyberspace—but only in such areas where it can be achieved and where it makes economic sense.

He added that Poland exercises its digital sovereignty when building national cloud services in Poland using American technology. The Polish government does it "without fear, but taking into account all risks that exist".

Uber's Marcin Moczysz noted that while exercising its digital sovereignty Poland "has done a good job" by implementing the personal data of Ukrainian citizens into the online platform called "M-Citizen". The platform allows Polish citizens to use the M-Citizen smartphone app as identification in dealing with different public authorities. With access to M-Citizen, Uber can fast verify the identity and

qualifications of Ukrainian citizens who intend to cooperate with Uber as drivers in Poland. According to Moczysz, such database integration should be done on a larger scale within the EU, "and perhaps other non-EU countries in Europe."

Google's Marcin Krasuski noted that "digital sovereignty" is an unclear term, used by many actors within the EU to further their trade interests. In his view, lawmakers should talk about "strategic interdependence" as this term better reflects the problem in question. With the global growth of digital trade and the sales of digital consumer products internationally, the concept of digital sovereignty will have to disappear sooner or later.

Dominika Stepińska-Duch said that big, multinational companies, such as Warner Bros Discovery, have the highest standards of personal data protection and adjust them to match the newest IT solutions and regulatory requirements in different jurisdictions. In Poland, however, there are too many casual regulations that are not in sync with the reality of digital business, which amounts to "regulatory chaos". She said that the private sector and legislators need to start exchanging best practices between countries so businesses know how to adjust their internal security systems to match the requirements, shape relations with subcontractors, and educate staff.

In the same vein, Google's Krasuski noted that the American business community expects the Polish government to take a lead in persuading its partners in the EU that cooperation with the US on legislating personal data transfers between the US and EU jurisdictions is a must. So far, the work on this issue has been managed by the European Commission, but for the last two years, no major progress has been achieved. "It is an area where the voice of the Polish government could receive attention," Krasuski said.

In turn, BAT's Marek Żółtkowski said that there are technology solutions used by the Polish administration that deserve wider recognition across Europe. Żółtkowski gave the example of SENT—a system for monitoring the movement of products that undergo excise duty taxation—noting that it is "worth promoting within the EU".

### SHARING AMBITIONS TO GROW

Last year, with nearly 1,000 shared services centers (SSCs) in Poland and 400,000 people on the payroll, the SSC sector in Poland is the largest driving force of Polish economic growth. And the numbers are bound to rise in the years to come, argued the members of the AmCham panel discussion entitled "American investors are the leaders of business services in Poland". The discussion was moderated by Paweł Pancyj, Managing Director of the Association of Business Service Leaders, and the panelists were Piotr Kamiński, Head of Office Leasing at JLL; Jacek Graliński, Head of the Am-

**"American investors comprise the largest group of new investment projects currently in the pipeline at PAIH. If all American projects that PAIH now is working on materialize, they would add 2,000 new jobs to the economy."**

**Krzysztof Drynda, the Polish Investment and Trade Agency PAIH**

## COVER STORY

Cham Pharma Committee (Amgen); Paweł Kusiak, Deputy CEO of HSBC; Małgorzata Stanowska, Public Policy Head for CEE at Uber; and Vangelis Savvas, Head of 3M's SSE in Wrocław. The public sector was represented by Krzysztof Drynda, Chairman of the Polish Investment and Trade Agency PAIH.

The panelists shared their views on the prospects of the SSC sector in Poland underlining the country's positives, such as the high quality of available personnel and the improving infrastructure across the country. "Poland has good infrastructure," said 3M's Vangelis Savvas adding that "Polish workers are well educated, multilingual and resilient." He spoke in high terms of the quality work they provide thanks to which the 3M's center in Wrocław—one of the company's three global centers—can successfully compete for business with the remaining two. "I'm proud of the quality of what we do here," he said adding that the culture of the Polish people is that they require a lot of effort on the part of their managers to be convinced to act, but once this is accomplished "you do not need to go back" as they keep delivering high-quality work while bringing new ideas for how to improve it. "The access to human capital in Poland allowed us to increase our potential," Savvas said. "We have people bringing forward ideas for small and big projects and developing tools that engage our workforce to increase productivity." The theme of work efficiency was echoed by Uber's Małgorzata Stanowska, who said that the company's center in Kraków, established in 2017,

### **"To be efficient, investors need to have a stable and foreseeable regulatory environment, including those regulations that aim to help them manage their risks in the years to come."** **Jolanta Jaworska, AmCham Vice Chair, (IBM)**

which employs over 330 people, delivers safety tools and solutions to Uber drivers and clients in Poland, Central and Eastern Europe, Western Europe and North Africa. The center is a true cultural "melting pot" employing, along with Poles, nationals of 20 countries who collectively speak 12 languages.

In turn, HSBC's Paweł Kusiak said that the bank's shared services center in Kraków, which employs over 5,000 people, plays a key role in the bank's strategy for Europe. As an EU country, Poland shares the same regulations on digital data processing and transferring it across all member states of the EU. With this, the center specialized in delivering services that could not have been delivered by HSBC's service centers in Asia and the US. Presently, the Kraków center deals with risk management for the bank's clients, including such types of risks as regulatory, compliance, credit, and the risk associated with different financial models used to evaluate financial risks for clients worldwide. "It is a super-advanced service," Kusiak said adding that "the team in Kraków takes care that the models of risk evaluation used by HSBC are accurate. It benefits the whole HSBC structure."

The benefits of being in Poland were also highlighted by Amgen's Jacek Graliński. He said that the country is Amgen's fourth largest market for patients recruited for clinical trials. "Our company is

present in 100 countries, so it means a lot," Graliński said.

He also spoke in high terms of the workforce available in the country. "Amgen is in Poland because Poland has great human capital including competent doctors who can conform to very restrictive protocols of clinical trials," he said adding that the same goes for experts in IT and biotechnology. "There are also great clinics in Poland, which conform to those highly-restrictive quality norms," Graliński said.

The future looks good for the shared services sector, admitted JLL's Piotr Kamiński. He said that the sector keeps growing in big cities, but because of low unemployment there, in search of talent, investors look for locations in smaller cities where the workforce is available. Those locations, however, have their limits. "You may find it difficult to open a shared services center employing 1,000 in Szczecin, but no problem when employing 100," Kamiński said.

Another problem is that most of the office space available in smaller locations does not meet the expectations of big investors. However, "when big companies start moving to smaller cities developers will naturally start offering top-class offices in those locations," Kamiński said.

PAIH's Krzysztof Drynda concurred that the SSC sector is the largest employer in Poland, taking into account all sectors of the economy—the largest sectorial investor as well.

"American investors comprise the largest group of new investment projects currently in the pipeline

at PAIH", Drynda said, adding that "If all American projects that PAIH now is working on materialize, they would add 2,000 new jobs to the economy." He admitted that access to top talent is a major problem for investors. The government had addressed this issue by devising a program to fast-track administrative procedures for hiring foreigners to work in strategic sectors of the economy, such as IT and technology. The program, called Poland Business Harbor, was originally aimed at IT specialists in Byelorussia who sought opportunities to relocate to Poland as companies, the self-employed, or for employment. Individuals included in the program could receive support in liaising with local authorities and special economic zones in Poland. In time, the program was extended to citizens of Georgia, Armenia, Russia, Ukraine, Moldova, and Azerbaijan. After the Russian invasion of Ukraine, Ukrainians in Poland do not need to apply to the program as they are covered by "war refugee status" which entitles them to be employed or start a company on the same basis as Polish citizens.

Drynda noted that approximately 100,000 Ukrainians now work in Poland full-time. He also said that in September the government extended Poland Business Harbor to foreigners from all countries in a decisive measure to help the business services sector keep growing in the country.

### **MAPPING GROWTH TRENDS**

Despite the current economic crisis, the looming energy crisis, and a neighboring country at war with one of its neighbors, there are promising growth perspectives for investors in Poland, agreed the participants of another panel discussion held under AmCham auspices during the Economic Forum. Entitled "American investments in Poland—opportunities and challenges", the discussion brought to the stage Dmytro Gavrylenko, Head of JLL Capital Markets Team; Maciej Kropidłowski, Vice President of Citi Handlowy; Radek Kaskiewicz, President, Managing Director 3M in Eastern Europe; Dariusz Kucharski, CEO of HSBC Poland; Rafał Ogrodnik, CFO, COO of TVN Warner Bros. Discovery in Poland; and Adam Suchenek, Press Spokesman for Philip Morris Polska. The discussion was moderated by Marta Poślad, Public Policy Director for CEE at Google.

According to Dmytro Gavrylenko, all investors will face challenges stemming from the war in Ukraine and the global economic crisis, but so far there were no signs of a slowdown in investment volumes in commercial real estate in Poland in the first half of 2021. The landmark transaction in that period was the acquisition of the Warsaw Hub office complex by Google, for EUR 583 million. In turn, Rafał Ogrodnik noted that TVN Warner Bros. Discovery in Poland views the media market in Poland looking for growth opportunities and launching new projects.

Ogrodnik said that Poland is the largest market for Warner Bros Discovery globally in terms of

turnover as well as the complexity of its operations. It has come as a result of years of successful business development in Poland, which encouraged the company to grow its operations in the country. In addition, Poland proved to be a very good country to do business in owing to its legal and regulatory framework which protects intellectual property and is in sync with the laws of the European Union. On top of this, there are digitized administrative and tax procedures in Poland, business-friendly trade regulations and strong anti-corruption laws, combined with attractive investors incentives and superb assistance delivered to big investors by government agencies.

According to HSBC's Dariusz Kucharski, the attractiveness of Poland for foreign investors was reflected by a 2021 country ranking compiled by E&Y, which listed Poland as the 9th best country in Europe to do business in. Poland followed such countries as the UK, Germany, France, and Spain, but the country was the leader in Central and Eastern Europe. Poland's pros for foreign investors were, among others, its central location in the EU, its relatively big internal market, a well-developed IT and telecom infrastructure across the country, and a relatively large and inexpensive labor force as compared with Western Europe.

On the downside, the authors of the report listed the Polish complex legal system which is frequently

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#### **Łukasz Kowalski, MSL Group**

amended, and the relatively low levels of innovation in the Polish economy—the latter problem especially persisting in the energy sector. With this in mind, the country has good prospects to attract foreign investors, especially those who are or will be relocating their businesses from Russia. There are also immense investment opportunities in the Polish energy sector as it begins a transformation from coal-based energy generation to renewable energy sources which, according to a government plan, must support 60 percent of the total electricity production in the country by 2050. Citi's Maciej Kropidłowski echoed this optimistic outlook by saying that "Poland is bound to drive benefits from the current economic turmoil by attracting investors who cease their operations in Russia". When it comes to such risks as inflation and spiraling energy prices, Kropidłowski noted that Western Europe has the same issues, so it puts Poland in a good spot. He added that for Citi, which has one of its global shared services centers in Poland, the country is of strategic importance with optimistic chances for business growth. Poland has strategic importance for 3M—a company that has in the country marketing operations, production facilities and one of its global shared services centers. There are question marks for 3M regarding energy prices and availability, Kaskiewicz said, but the company is prepared for different scenarios. "Our main focus is to pinpoint new consumer trends and find new areas for product development with long-term commercial potential," he said.

Consumer trends in this time of economic turmoil are question marks for Philip Morris Polska, said Adam Suchenek. In his view, "There is room for more American investments in Poland and it is likely to materialize if Poland improves the quality of lawmaking so the business-related laws and regulations are transparent and predictable". The problem of the fast-changing laws and regulations is a cloud with a silver lining. Suchenek admitted, applauding the Ministry of Finance for publishing a roadmap on excise duty tax increases that will take place by 2027, thereby letting businesses know well in advance what is coming and adjust their tax strategies accordingly.

### **ROLES TO PLAY**

Ever since AmCham partnered with the Economic Forum ten years ago, the issue of how American investments change Poland's geopolitical position was on the agenda of the forum's panel discussion program. This year the subject was discussed in new circumstances set by the breadth and depth of

Poland-US collaboration in delivering support for Ukraine. The discussion was moderated by Hanna Cichy, Senior Economic Analyst at Polityka Insight, an economic market intelligence company. Business representatives who took part in the discussion entitled "Polish American economic relations and their role in building the new strategic position of Poland" spoke about the experience that Poland gained from collaborating with American businesses for the last 30 years and underlined a need for the country to utilize this experience in building its strong position in the EU. Panelist Łukasz Kowalski, Corporate and Financial Communications Department Director at MSL Group, said that unlike many countries in Europe, Poland has been welcoming American investors with open hands. "All the successes that American companies have achieved in Poland, make US investors think highly of Poland," Kowalski said, noting that, "When American companies think about whether to invest in Poland or not, they will decide to invest after all, because of the positive experience of American companies in Poland".

The experience includes masterminding the processes of finding the best locations for business, developing communications toolkits and best practices to talk to local communities' politicians and stakeholders. "Those cases have been built in Poland," Kowalski said, "and they can now use those cases to expand in the region based on the Polish experience". At the same time, the success of American companies in Poland, Kowalski noted, can be used by Poland strategically to showcase the country internationally as a mastermind in acquiring American capital.

Another panelist, Gabriele Patti, General Manager at Whirlpool, said that as Poland's exports inside the EU and beyond keep growing, the country has become the point of reference for producers of home appliances. American companies have made heavy investments in technology in Poland as consumers want to see new technologically advanced products. With the current crisis, however, their purchasing power has decreased and what the market needs is a consumer stimulus, such as, for instance, incentives for the purchase of energy-efficient products. That would stimulate the demand for home appliances and reinforce investments in technology in Poland made by American investors. In the end, it will be mutually beneficial for US investors and the Polish economy and will further the economic success of US-Poland cooperation. Bartosz Kurek, Public Affairs Manager at Philip Morris Polska, said that public declarations of US politicians highlight Poland as a country where safety

and security are guaranteed by the US. It is a clear signal for potential investors to think about Poland as a good place for investment, especially because the situation in Ukraine will stabilize in the end. Another panelist, Roman Pałac, CEO of Gemini Polska, noted that US capital is Poland's second largest foreign investment capital, following Germany. Given the fact that the German economy is five times smaller than the US economy, the scale of US investment in Poland is relatively low. This shows that American companies still have a huge opportunity to increase their investments in Poland. At the same time, Poland has the potential to improve its legal system so it is more in sync with the needs of contemporary business. "Poland and the US have signed an agreement on mutual protection of investments," Pałac said. "One of the provisions of the agreement is regulatory stability. Taking into consideration the whole context of Poland's attractiveness, the major problem, felt not only by American investors but all investors, is the gigantic instability of regulations. Another problem is that companies do not know how to properly execute certain regulations and their views differ from that presented by courts of law", Pałac said. Mariusz Mielczarek, Director, CEE, Public Policy at Amazon noted that US companies in Poland should try to influence Polish politicians to have a greater say in the affairs of the European Union. As much as 80 percent of laws in Poland are made in the EU today. As a member of the union Poland has its say in regulatory issues, and it would be in the mutual interest of Poland and US investors if Poland had a bigger say in issues that can facilitate transatlantic trade. "Poland should do more to persuade other countries to be more open-minded about digital cooperation with the US," Mielczarek said, adding that while there is political agreement on data exchange between the US and the EU, it has to be followed by concrete solutions that would safeguard good regulations for Polish and American companies. "This is about the future of transatlantic cooperation," he said. "We should be more open for such cooperation as it is in our mutual interest to reinforce it because most of the rest of the world is not so friendly and is rather competitive. This is something that should unite us, not divide us," Mielczarek said.

### **"Poland should do more to persuade other countries to be more open-minded about digital cooperation with the US. This is about the future of transatlantic cooperation. It is in our mutual interest to reinforce it because most of the rest of the world is not so friendly and is rather competitive. This is something that should unite us, not divide us."**

#### **Mariusz Mielczarek, Amazon**

**AMCHAM DINER @ ECONOMIC FORUM IN KARPACZ, SEPTEMBER 2022**



ON SEPTEMBER 6-8, AMCHAM WAS PRESENT AT THE ECONOMIC FORUM IN KARPACZ. ITS AMCHAM DINER PROVED TO BE THE MOST POPULAR MEETING DURING THE FORUM. THANKS TO THE DINER PARTNERS, THE GUESTS WERE SERVED COFFEE AND DONUTS AS THEY ENGAGED IN DISCUSSIONS. THE DINER ALSO SERVED AS THE VENUE FOR ROUNDTABLE MEETINGS HELD EXCLUSIVELY FOR AMCHAM MEMBER COMPANIES. IN ADDITION, AS PART OF THE FORUM PROGRAM, AMCHAM HELD FOUR DISCUSSION PANELS FOCUSING ON THE MOST IMPORTANT ECONOMIC AND BUSINESS ISSUES FOR POLAND-US RELATIONS AND FOREIGN INVESTORS IN THE COUNTRY. THE DINER HOSTED THE TVN24 AND TVN24 BIS LIVE STUDIO WHOSE JOURNALISTS CONDUCTED INTERVIEWS WITH MEMBER COMPANY CEOs AND GOVERNMENT OFFICIALS.

**IN PICTURES:** 1. WALDEMAR BUDA, MINISTER OF TECHNOLOGY AND DEVELOPMENT; MARZENA DRELA, AMCHAM OPERATIONS DIRECTOR. 2. ANDRZEJ DZIUKAŁA, JANSSEN-CILAG POLSKA; MARZENA DRELA; TOMASZ LATOS, MEP; GRZEGORZ BYSZEWSKI, ROCHE; JACEK GRALIŃSKI, AMGEN. 3. MATEUSZ JURCZYK, AMCHAM; BOGDAN KUCHARSKI, MICHAŁ OBIĘGAŁA, BP; PAWEŁ PONCYLIUSZ, MEP; MICHAŁ KOBOSKO, VICE-PRESIDENT, ASSOCIATION POLAND 2050; DOMINIK ŁAZARZ, UNIVERSITY OF INFORMATION TECHNOLOGY AND MANAGEMENT IN RZESZÓW; MICHAŁINA SOBOLEWSKA, EXON MOBILE. 4. AMCHAM MEETING WITH JAROSŁAW GOWIN AND REPRESENTATIVES OF THE POROZUMIENIE JAROSŁAWA GOWINA POLITICAL PARTY. 5. DARIUSZ KUCHARSKI, HSBC; MARTA POŚLAD, AMCHAM BOARD MEMBER (GOOGLE); ADAM SUCHENEK, PHILIP MORRIS POLSKA; MARZENA DRELA. 6. MARZENA DRELA; JERZY KWIECIŃSKI, BANK PEKAO SA. 7. KRZYSZTOF SZUBERT, CHIEF INFORMATION OFFICER AT PKO TFI; MARZENA DRELA; WITOLD KOŁODZIEJSKI, NATIONAL BROADCASTING COUNCIL; JOLANTA JAWORSKA, AMCHAM VICE CHAIR (IBM); MACIEJ KROPIDŁOWSKI, CITI HANDLOWY. 8. TOMASZ SKRZYPCZAK, ANDRZEJ DZIUKAŁA, JANSSEN-CILAG; MARZENA DRELA. 9. TOMASZ KOSIK, EMERSON; MATEUSZ BONCA, JLL.

10. THE AMCHAM & CITI HANDLOWY PRIVATE COCKTAIL PARTY: MARZENA DRELA; MACIEJ KROPIDŁOWSKI; JOLANTA JAWORSKA. 11. MARZENA DRELA; JAN NIEDZIAŁEK, TVN24/TVN24 BIS; JOLANTA JAWORSKA. 12. MARZENA DRELA; MICHAŁ KOBOSKO, VICE-PRESIDENT OF ASSOCIATION POLAND 2050. 13. PAWEŁ KUSIAK, HSBC; MARZENA DRELA. 14. THE MSL & AMCHAM PRIVATE COCKTAIL PARTY: SEBASTIAN STĘPAK, MSL GRUP; RAFAŁ STĘPNOWSKI, AMCHAM BOARD MEMBERS (BOEING); MARZENA DRELA; JOLANTA JAWORSKA. 15. BARTOŚZ KUREK, PHILIP MORRIS INTERNATIONAL; MARZENA DRELA. 16. ANITA KOWALSKA, AMCHAM; ZYGMUNT ŁOPALEWSKI, WHIRLPOOL. 17. MARZENA DRELA; MARIĆN MOCZYRÓG, MAŁGORZATA STANOWSKA, UBER. 18. MARTA PAWLAK, AMCHAM LEGAL & PUBLIC POLICY DIRECTOR; ROMAN PALAC, ELŻBIETA SOCHA, GEMINI; JOLANTA JAWORSKA. 19. MARZENA DRELA; MARCIN MOCZYRÓG; DOMINIKA STĘPIŃSKA-DUCH, TVN WARNER BROS. DISCOVERY; PAWEŁ JABŁOŃSKI; JOLANTA JAWORSKA; MARCIN KRASUSKI, GOOGLE; MARTA PAWLAK; MAREK ŻÓŁTOWSKI, BAT. 20. BARBARA STĘPNOWSKA, AMCHAM GDAŃSK DIRECTOR; PROF. JERZY LIS, RECTOR, AGH UNIVERSITY OF SCIENCE AND TECHNOLOGY; RAFAŁ STĘPNOWSKI, AMCHAM BOARD MEMBER (BOEING). 21. PAWEŁ PANCYZI, ABSL; MONIKA CIESIELSKA-MRÓZ, AMCHAM WROCLAW BRANCH DIRECTOR (PM GROUP); ELIŻA PRZEŹDZIECKA, AMCHAM HEAD OF ECONOMIC RESEARCH (WARSAW SCHOOL OF ECONOMICS). 22. ANITA KOWALSKA; KATARZYNA OBUCHOWICZ, BROWN FORMAN; ANNA SAPOTA, TOMRA SYSTEMS. 23. SEBASTIAN STĘPAK, ŁUKASZ KOWALSKI, MSL. 24. ANNA PAPKA, AMAZON; ELIŻA PRZEŹDZIECKA; MARIUSZ MIELCZAREK, AMAZON. 25. JULIANNE PARKER, ANNA JAROS, US EMBASSY IN WARSAW; JACEK KASZ, CRACOW UNIVERSITY OF TECHNOLOGY; ANITA KOWALSKA; MATEUSZ JURCZYK. 26. MACIEJ MACIEJOWSKI, GREMI; MARZENA DRELA; JAROSŁAW MACHOCKI, GREMI. 27. ANITA KOWALSKA; PHIL GOSS, PERŁA LUBELSKIE BREWERY. 28. THE CROWD IN FRONT OF THE AMCHAM DINER.



THE AMCHAM DINER HOSTED A STAKEHOLDER BREAKFAST MEETING HELD BY THE AMCHAM PHARMA COMMITTEE, ENTITLED "HEALTH IS CAPITAL AND AN AREA OF INVESTMENT."

1. GERTRUDA UŚCIŃSKA, PRESIDENT, SOCIAL SECURITY AGENCY. 2. MACIEJ MIŁKOWSKI, UNDERSECRETARY OF STATE, MINISTRY OF HEALTH. 3. RADOSŁAW SIERPIŃSKI, CHAIR, MEDICAL RESEARCH AGENCY. 4. TOMASZ LATOS, HEAD OF PARLIAMENTARY HEALTH COMMITTEE. 5. JACEK GRALIŃSKI,

VICE CHAIR, AMCHAM PHARMA COMMITTEE (AMGEN); MARZENA DRELA, AMCHAM OPERATIONS DIRECTOR; MACIEJ MIŁKOWSKI; ANDRZEJ DZIUKAŁA, VICE CHAIR, AMCHAM PHARMA COMMITTEE (JANSSEN-CILAG); GRZEGORZ BYSZEWSKI, VICE CHAIR, AMCHAM PHARMA COMMITTEE (ROCHE). 6. THE MEETING IN PROGRESS. 7. MARCIN BODIO, DIMITRI GITAS, MSD. 8. JACEK GRALIŃSKI. 9. MARZENA DRELA.



THE AMCHAM DINER HOSTED AN EXCLUSIVE MEETING DEVOTED TO THE GLOBAL ECONOMIC OUTLOOK, WITH SPECIAL GUESTS, JANET HENRY, GLOBAL CHIEF ECONOMIST, HSBC, WHO GAVE AN ONLINE PRESENTATION; AND DARIUSZ KUCHARSKI, CEO, COUNTRY HEAD OF CMB OF HSBC IN POLAND.

1. THE MEETING IN PROGRESS. 2. PAWEŁ KUSIAK, HSBC. 3. MARZENA DRELA, AMCHAM OPERATIONS DIRECTOR. 4. DARIUSZ KUCHARSKI, CEO, HSBC.



THE AMCHAM DINER HOSTED REPRESENTATIVES OF AMCHAM MEMBER COMPANIES FOR A TECHNOLOGY ROUNDTABLE ENTITLED "DIGITAL STATE—OUR COMMON AMBITIONS". THE MEETING WAS SPONSORED BY

HSBC. 1. THE PARTICIPANTS OF THE ROUNDTABLE. 2. AGNIESZKA JANKOWSKA, AMCHAM BOARD MEMBER (T-MOBILE); JOLANTA JAWORSKA, AMCHAM VICE CHAIR (IBM).



THE AMCHAM DINER HOSTED A BREAKFAST FOR AMCHAM MEMBERS AND PUBLIC ADMINISTRATION REPRESENTATIVES TO DISCUSS PRIORITY AREAS IN CLIMATE TRANSFORMATION FOR THE POLISH GOVERNMENT IN THE CONTEXT OF NATIONAL AND EU FUNDING AND PROGRAMS. THE BREAKFAST WAS SPONSORED BY 3M. 1. THE 3M BREAKFAST IN PROGRESS. 2. JERZY KWIECIŃSKI, VICE CHAIRMAN, BANK PEKAO S.A. NEXT PAGE: 3. JOLANTA JAWORSKA, AMCHAM VICE CHAIR (IBM). 4. KATARZYNA

SZWARC, MINISTRY OF FINANCE. 5. BARTŁOMIJ PAWLAK, VICE CHAIR, POLISH DEVELOPMENT FUND. 6. RADEK KASKIEWICZ, 3M. 7. SŁAWOMIR MAZUREK, NATIONAL FUND FOR ENVIRONMENTAL PROTECTION AND WATER MANAGEMENT. 8. MARIUSZ WAWER, 3M. 9. NATALIA MATYBA, PRIME MINISTER'S CHANCELLERY; JOLANTA JAWORSKA. 10. ALL PARTICIPANTS OF THE 3M BREAKFAST.





**AMCHAM DINER @ ECONOMIC FORUM IN KARPACZ**



LEGAL FRAMEWORKS AND ENVIRONMENTS WERE DISCUSSED BY THE PANELISTS OF THE DISCUSSION ENTITLED "AMERICAN INVESTMENTS IN POLAND—OPPORTUNITIES AND CHALLENGES".  
1. DISCUSSION MODERATOR MARTA POŚLAD, AMCHAM BOARD MEMBER (GOOGLE); ADAM SUCHENEK, PHILIP MORRIS POLSKA; RADEK KASKIEWICZ, 3M EAST EUROPE REGION; MACIEJ KROPIDŁOWSKI, CITI HANDLOWY; DARIUSZ KUCHARSKI, HSBC; RAFAŁ OGRÓDNIK, TVN WARNER BROS. DISCOVERY; DMYTRO HAVRYLENKO, JLL. 2. MARTA POŚLAD. 3. ADAM SUCHENEK. 4. RADEK KASKIEWICZ. 5. MACIEJ KROPIDŁOWSKI. 6. DARIUSZ KUCHARSKI. 7. RAFAŁ OGRÓDNIK. 8. DMYTRO HAVRYLENKO.

LEGAL FRAMEWORKS AND ENVIRONMENTS WERE DISCUSSED BY THE PANELISTS OF THE DISCUSSION ENTITLED "AMERICAN INVESTMENTS IN POLAND—OPPORTUNITIES AND CHALLENGES".  
1. DISCUSSION MODERATOR MARTA POŚLAD, AMCHAM BOARD MEMBER (GOOGLE); ADAM SUCHENEK, PHILIP MORRIS POLSKA; RADEK KASKIEWICZ, 3M EAST EUROPE REGION; MACIEJ KROPIDŁOWSKI, CITI HANDLOWY; DARIUSZ KUCHARSKI, HSBC; RAFAŁ OGRÓDNIK, TVN WARNER BROS. DISCOVERY; DMYTRO HAVRYLENKO, JLL. 2. MARTA POŚLAD. 3. ADAM SUCHENEK. 4. RADEK KASKIEWICZ. 5. MACIEJ KROPIDŁOWSKI. 6. DARIUSZ KUCHARSKI. 7. RAFAŁ OGRÓDNIK. 8. DMYTRO HAVRYLENKO.



THE POTENTIAL OF POLISH TECH COMPANIES WAS DISCUSSED BY THE PARTICIPANTS OF THE DISCUSSION PANEL ENTITLED "TECHNOLOGICAL OPPORTUNITIES—THE ROLE OF AMERICAN TECHNOLOGY AND INNOVATION IN BUILDING DIGITAL SECURITY IN POLAND AND IN THE WORLD."  
1. MARCIN KRASUSKI, GOOGLE; MARCIN MOCZYRÓG, UBER; DOMINIKA STĘPINSKA-DUCH, TVN

WARNER BROS. DISCOVERY; MAREK ŻÓŁTOWSKI, BAŃ; PAWEŁ LEWANDOWSKI, UNDERSECRETARY OF STATE, PRIME MINISTER'S CHANCELLERY; JOLANTA JAWORSKA, AMCHAM VICE CHAIR (IBM). 2. DOMINIKA STĘPINSKA-DUCH. 3. JOLANTA JAWORSKA. 4. PAWEŁ LEWANDOWSKI. 5. MARCIN MOCZYRÓG. 6. MARCIN KRASUSKI. 7. MAREK ŻÓŁTOWSKI.



LONG-TERM BUSINESS OPPORTUNITIES AND SYNERGIES WERE DISCUSSED BY REPRESENTATIVES OF AMCHAM MEMBER COMPANIES WHO TOOK PART IN THE DISCUSSION PANEL ENTITLED "POLISH-AMERICAN ECONOMIC RELATIONS AND THEIR ROLE IN BUILDING THE NEW STRATEGIC POSITION OF POLAND."  
1. DISCUSSION MODERATOR HANNA CICHY, POLITYKA INSIGHT; MARIUSZ MIELCZAREK, AMAZON;

ŁUKASZ KOWALSKI, MSL; BARTOŚZ KUREK, PHILIP MORRIS POLSKA; ROMAN PAŁAC, GEMINI POLSKA; GABRIELE PATTI, WHIRLPOOL. 2. HANNA CICHY. 3. MARIUSZ MIELCZAREK. 4. ROMAN PAŁAC. 5. BARTOŚZ KUREK. 6. ŁUKASZ KOWALSKI. 7. GABRIELE PATTI.



THE PIONEERING ROLE OF AMERICAN COMPANIES IN THE BPO SECTOR WAS ON THE AGENDA OF THE FOURTH DISCUSSION PANEL HELD BY AMCHAM, ENTITLED "AMERICAN INVESTORS ARE THE LEADERS OF BUSINESS SERVICES IN POLAND".  
1. PAWEŁ KUSIAK, HSBC; PIOTR KAMIŃSKI, JLL; JACEK GRALIŃSKI, AMCHAM PHARMACEUTICAL

COMMITTEE; VANGELIS SAVVAS, 3M; KRZYSZTOF DRYNDA, PAIH; MAŁGORZATA STANOWSKA, UBER; DISCUSSION MODERATOR PAWEŁ PANCIZY, ABSL. 2. MAŁGORZATA STANOWSKA. 3. PAWEŁ KUSIAK. 4. PIOTR KAMIŃSKI. 5. VANGELIS SAVVAS. 6. JACEK GRALIŃSKI.



TVN AND TVN24 BIS LIVE STUDIO: DURING THE FORUM, TVN24 AND TVN24 BIS JOURNALISTS CONDUCTED INTERVIEWS WITH CEOs OF AMCHAM MEMBER COMPANIES AND GOVERNMENT OFFICIALS, AIRED LIVE BY THE TELEVISION CHANNELS.  
1. TOMASZ SUCHAŃSKI, ŻABKA; JAN NIEDZIAŁEK. 2. JACEK GRALIŃSKI, AMCHAM PHARMACEUTICAL

COMMITTEE (AMGEN). 3. ANDREAS MAIERHOFER, T-MOBILE. 4. JOLANTA JAWORSKA, AMCHAM VICE CHAIR (IBM). 5. PAWEŁ BORYS, POLISH DEVELOPMENT FUND. 6. RADEK KASKIEWICZ, 3M EAST EUROPE REGION. 7. PAWEŁ KUSIAK, HSBC. 8. ROAMN PAŁAC, GEMINI. 9. MIROSLAW KOWALIK, WESTINGHOUSE.



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## COVER STORY

# ZEROING IN ON SUCCESS

## THE AMCHAM/UN GLOBAL COMPACT NETWORK ENERGY DAY DEFINES THE BEST STRATEGIES FOR A SUCCESSFUL ENERGY SECTOR TRANSFORMATION IN POLAND.

By Tomasz Ćwiok, Editor, *AmCham.pl Quarterly*

Nearly 200 participants attended the Energy Day Forum, a conference addressing the main challenges for the energy sector, coming as a result of the current energy crisis in Europe. It was organized by AmCham Poland and the United Nations Global Compact, at the Westin Warsaw, on October 6.

The attendees represented the energy, financial, and banking sectors, with support from legal and regulatory services, and government representatives.

The conference was opened by AmCham Chairman Tony Housh, who said that even though Russia has weaponized energy, the energy sector in Poland is still responsible for creating a sustainable, fair and opportunity-driven economic future for the country.

The AmCham chairman said that the forum offered an opportunity for stakeholders in the energy sector to discuss issues they face and solutions they see and noted that "It is not just about megawatts but the lifeblood of the democratic market society." Housh said that private energy companies have a lot of answers to the problems the economy is facing today. "We have the technology, capabilities and know-how. It is important that we find the way, as the private sector and as government policy stakeholders, to work together," he said.

In his opening remarks, Kamil Wyszowski, Executive Director of the UN Global Compact Network Poland, said that Poland is a key partner for the US in energy security. The UN Global Compact sees a need to strengthen energy security in the current geopolitical situation and without "this very special relationship" between the US and Poland, the opportunity to do it right may be lost.

Wyszowski also said that the UN Global Compact is involved in helping Ukraine rebuild its energy sector, and here there is room for US and Polish energy companies.

US Ambassador to Poland, Mark Brzezinski, said in his remarks at the opening of the forum that while there are many challenges in the economy today in Poland and Europe, "amidst those challenges there are a lot of opportunities for business".

He said that in recent years the American business community in Poland has demonstrated great leadership in jumpstarting clean energy transformation in the country.

Because Russia has put pressure on energy markets, raised prices for consumers and threatened global energy security, it is imperative to diversify energy sources. "Poland and the US have already done this," Ambassador Brzezinski said, adding that now some other EU countries are following the Poland-US example. "Poland has been working alongside many American companies to accelerate energy diversification. Because of that, when Russia suddenly cut gas supplies to Europe to punish Europeans for supporting Ukraine, Poland was ready. It was thanks to a decision Poland took a decade ago to end its dependence on Russian gas".

The ambassador noted that the LNG terminal in Świnoujście, North-West Poland, was opened seven years ago and today it operates at 100 percent capacity. "Many ships carrying LNG to Świnoujście are coming from the US," the ambassador said.

Ambassador Brzezinski spoke highly of the recently-opened Baltic Pipeline, which delivers gas from Norway to Poland. He said that it is Poland's great accomplishment as it helps the country move away from its dependence on Russian gas.

The US Ambassador also said that to further extend the energy portfolio developing a nuclear power program in Poland using American technology is an ideal solution for the Polish economy. "It is fully in line with Poland's published nuclear strategy," Ambassador Brzezinski said.

He noted that both Westinghouse and Bechtel have already signed memoranda of understanding with dozens of Polish companies allowing for cooperation on six nuclear reactors in the country. When those reactors are operational in Poland, experts estimate they will translate into 54 million tons of avoided greenhouse emissions every year. This amount is roughly the size of the annual emissions of a country like Bulgaria.

Developing a civil nuclear industry with such trusted partners will result in another European source of energy that emits zero carbon and is free from Russian influence, Ambassador Brzezinski noted.

He said that a nuclear program in Poland "is an opportunity to advance economic, security and climate goals on a massive scale together. The energy needs in Poland are too dire and too imminent, and nuclear is the only technology that can address this

for generations to come".

"The nuclear deal will also forge a center of future partnership in the energy sector between Poland and the US which will create thousands of clean energy jobs in both our countries for over a decade," the US ambassador said, adding that the deal will help position Poland as a regional leader in the civilian nuclear energy sector.

Bartłomiej Pawlak, Vice-President, Polish Development Fund (PFR) said that the Polish energy sector transformation is the biggest challenge for the country's economy since the beginning of the economic transformation in the country which started 30 years ago. Foreign investors view the Polish economic transformation as a huge success and they hope that the transformation of the energy sector will be equally successful.

Pawlak gave an overview of how the Polish Development Fund supports the transformation of the Polish energy sector, and explained the philosophy of its investing vehicle, PFR Ventures, which looks for venture fund partners to support their investments in technology startups in the energy sector. Pawlak noted that PFR Ventures has a program dedicated to venture funds looking for investment opportunities in ecology, renewable energy sources and clean technology. "So far there are three foreign funds in the program and PFR is about to sign a contract with a Polish fund as well," Pawlak said. He noted that one of the foreign partners in the program is private equity company General Atlantic, a US-based company.

Another speaker, Grzegorz Słomkowska, a Board Member of the Polish Investment and Trade Agency (PAIH) said that the Polish government plans to introduce several mechanisms that will curb the growth of energy prices. Among them will be the maximum price that energy consumers may be charged by energy companies; another, a "windfall" tax on energy producers. The government also plans to lower fees that energy distributors pay when connecting to green energy sources via the so-called "direct line".

Representing the banking sector, Barbara Słomkowska, Director, Global Network Banking, Citi Handlowy, said that commercial banks are ready to support the transformation of the Polish energy sector.

However, the important question is how the war in

"Nuclear is supposed to be in Poland in 10 years from now, offshore in 5 years. But time is running out and we need a strong renewable energy sector in 2-3 years."

### Jerzy Kozicz, President of CMC Poland

Ukraine will impact the green transformation in the EU.

"We believe that the EU plan to use LPG as a transition fuel may be a short-term solution, but long-term we expect that the use of renewable sources will accelerate," she said.

Słomkowska added that despite the war in Ukraine, climate change will remain the central issue and the banking sector will support companies that invest in clean energy, infrastructure for clean energy, and provide other support to the transition to more sustainable, decarbonized energy solutions. For Citi in Poland, it means supporting local businesses which invest in sustainable development solutions and social responsibility solutions.

The last speaker of the opening session was Jerzy Kozicz, President of CMC Poland, a steel producer which covers 20 percent of the demand for commercial metal products in the Polish market.

To put in perspective the energy needs of steel producers such as CMC Poland, Kozicz said that a modern steel-mill furnace, with the best energy efficiency achievable today, uses as much electricity as a city with a population of over 700,000.

Kozicz explained that CMC Poland views energy from three different aspects: energy security, energy competitiveness, and energy sustainability. For energy security, the company has long-term contracts with PGE (electric power) and PGNiG (gas), and other long-term contracts—Power Purchasing Agreements (PPAs)—with several green energy companies to ensure energy provision for prospective new projects.

According to Kozicz, the Polish energy sector depends so highly on fossil fuels that it does not offer enough options for big energy consumers who seek green energy sources to be able to manufacture low-carbon footprint products.

To meet this need, a change in the structure of the Polish energy sector is a must, because without it, within a few years, big energy consumers in Poland will turn to energy produced in neighboring countries offering energy with a balanced carbon footprint.

### GREEN ENERGY AND ESG

Following the forum's opening, the day's first discussion panel was entitled "Investing in Green Energy and ESG—how companies and their customers transform; how it impacts their shareholder value, and what are the best ways of financing the transition." Michal Koczalski, Managing Partner, CEC Group, moderated the panel. The speakers were Magdalena Brzezińska, Corporate Affairs Director at Grupa Żywiec; Magdalena Hilgner, Attorney-at-Law, Energy and Sustainability, EY Polska; Rene Koinzack, General Manager, Deutsche Lufthansa S.A. in Poland; Stanisław Motylski, General Director, Flex; Katarzyna Szwarc, High Representative of the Minister of Finance for Capital Market Development Strategy; Mariusz

Wawer, Government Relations and Sustainability /ESG Leader at 3M.

All speakers agreed that companies today are under pressure to invest in green energy and apply solutions that make them compliant with ESG standards as defined by the European Union. There are three directions from which the pressures come. The current energy crisis in the EU makes many companies eye cheap energy from renewable sources, which do not depend on the imports of fossil fuels and thus are viewed as free of threats of energy outages.

However, the real scope of demand in this area is unknown, said Magdalena Hilgner, as many big companies have long-term contracts with energy providers and currently receive energy based on the contracts they signed before the crisis.

Another pressure area for companies to apply ESG solutions comes from stakeholders: investors, business partners, and consumers. Mariusz Wawer said that 3M, which manufactures some 60,000 different products for different industries, is approached nearly every day by its clients, who ask what the company does to lower the carbon footprint of its products. "They need to know because their consumers require information on the environmental impacts of the products they buy," Wawer said.

The third pressure area comes from EU regulations. Already, 11,000 largest companies in the EU are obliged to include their ESG practices in annual reports. Come December this year, mid-level companies will also fall under this obligation, which in Poland will cover approximately 3,000 companies. Two years from now, smaller companies across the EU—including approximately 50,000 companies in Poland—will also have to incorporate ESG in their annual reports. According to Hilgner, this will be a major challenge for companies. To do the job properly requires the engagement of big teams across the board, including accounting, compliance and other departments. Of equal importance is the fact that companies have to do their job well in advance "because they need to know the data well in advance to draw proper conclusions on how the markets and stakeholders will react to their ESG compliance reports," said Hilgner.

Along with discussing formal requirements for ESG reporting, the panelists shared their thoughts on the practical aspects of implementing "green solutions" by their corporations, such as reducing energy consumption, environmental impacts, and the carbon footprint of their products and services. Rene Koinzack said that for Lufthansa the key aspect is to reduce carbon emissions and make extensive use of clean energy. The company has invested in low-emission aircraft and technologies that increase the sustainability of its group operations, such as photovoltaic energy sources. Lufthansa also invests in cooperation with technology partners on fuel technology and solar energy,

and works with its business partners to help them offset traditional energy with renewable sources. "It is a big investment and it is important for our customers," Koinzack said.

Mariusz Wawer said that 3M has a strategic approach to ESG globally. Since 2018, each new product that the company develops is examined vis-a-vis its ecological impacts. In addition, the company has realigned its supply chains to reduce its carbon footprint, and decided to produce some of the components locally instead of having them shipped from locations on different continents. "Those are small, well-pinned investments and not big spectacular ones, but investments nevertheless," Wawer said.

Magdalena Brzezińska said that for Grupa Żywiec, the green transformation is a strategic one and one that requires focus from the people inside the company as well as its subcontractors, suppliers and business partners. Thanks to huge investments in solutions helping to conserve energy, including heat, across the production process, the company has managed to reduce carbon-dioxide emissions by 70 percent within the last ten years and plans to reach net zero emissions by 2030.

The company is looking forward to legislation introducing a deposit system for beverage packaging, as the hardest challenge, it seems, is to change consumer attitudes. "Out of convenience, consumers in Poland have a strong preference for disposable bottles," Brzezińska said. Yet, the environmental impact of a disposable bottle is five times that of a reusable bottle. This is why Grupa Żywiec has started a program called "Give a new lease of life to the bottle" to reward consumers for their efforts to help save the environment.

Stanisław Motylski said that Flex, a global producer of electronic components, has ESG as part of its global growth strategy. In 2021, the company decided last year to build a 12.5-megawatt photovoltaic power facility in its industrial park in Tczew, northern Poland. The company applied for clearances and permissions in February this year, but by the time of the Energy Day Forum it had noticed "no progress" in obtaining them.

Motylski said that the world's average wait time for obtaining all the necessary permits for a photovoltaic facility is between 2-4 months, "and well below that in Europe," he said. Explaining why the process has taken so long, he said that there is no clear path for issuing such permits in Poland. "There are regulations which are unclear and allow for different interpretations on local and regional levels," Motylski said.

Katarzyna Szwarc from the Ministry of Finance said, that the Polish economy currently faces two historic challenges: the green transformation and the digital transformation. In both cases, at stake is the competitive edge of the Polish economy on the European and global markets.

Szwarc noted that while the green transformation

"Energy is not just about megawatts but the lifeblood of the democratic market society."

**Tony Housh, AmCham Chairman**

## COVER STORY

is a major challenge for the economy, it also offers new opportunities for the Polish financial market. The transformation is estimated to cost EUR 250 billion by 2050, of which approximately EUR 200 billion Poland will obtain from the EU. "The EUR 50 billion gap is an opportunity for private investors in green energy," Szwarc said, "which is why the Ministry of Finance aims to create the most optimal instruments for them."

The ministry plans to achieve it by bringing together legislators, government ministers, social partners, and private sector representatives so they could exchange opinions and share best practices. The ministry set up an online communication tool, called "The Sustainable Financing Platform", to be operational in November, where company representatives can register to submit their ideas and opinions and take part in the discussion as members of working teams.

One of the priorities for the ministry is to design a road map for introducing green bonds in Poland. "Green bonds allow for getting capital to finance green investments at a relatively lower price than ordinary debt mechanisms," Szwarc said. "For investors, they offer additional value, as they can be included in ESG reporting. Presently, however, investors who want to buy green bonds need to purchase them in Amsterdam, Stockholm, or London. We want green bonds to be available in Poland too, and not only for investors in Poland but in the entire region of Central and Eastern Europe," Szwarc said.

## BEING COMPETITIVE

The second discussion panel was entitled "Staying competitive in the era of energy crisis—tools and mechanisms to sustain growth and smooth energy transition of large companies in Poland". The discussion was moderated by Remigiusz Nowakowski from DISE Energy, an energy market think-tank based in Wrocław, Lower Silesia. According to Roman Gawrysiak, Government Affairs Director at Unimot, with the loss of imports from Russia and Byelorussia, the company had to resort to alternative sources and realign its logistic chains to the new market reality. Recently, Unimot signed several contracts to double its railway transportation capacity to ensure timely deliveries of fuels contracted in new markets. "Bottlenecks in logistic chains pose major threats to fuel deliveries to Poland," Gawrysiak said.

Unimot also offers photovoltaic solutions produced in Poland in cooperation with the US company First Solar. But fuels remain the main product category offered by Unimot. The company imports fuel products from India and Saudi Arabia and is looking for opportunities in other distant markets. In the long run, the change in import markets will cause a rise in prices for the Polish client.

Andrzej Kaźmierski, Deputy Director, Low Emis-

sion Economy Department of the Ministry of Development and Technology, said that domestic and EU regulations limit the ways in which the government may render financial aid for companies that face problems caused by the rise of energy prices. The government's strategy is to protect such companies whose demise would cause major impacts on their markets or local labor markets. In delivering aid, the government acts on an individual basis and is required to obtain consent from the prime minister and adequate regulatory authorities in the EU.

According to Jerzy Kozicz, for major energy consumers, the lack of government support in cushioning large energy bills in Poland raises concerns regarding the competitiveness of the Polish economy.

Yet, more questions arise for producers whose clients require carbon-free products. They do not have the choice of the energy they need in Poland as over 70 percent of all power produced in Poland is fossil-fuel based.

"Nuclear is supposed to be in Poland in 10 years from now, offshore in 5 years. But time is running out and we need a strong renewable energy sector in 2-3 years," Kozicz said.

In other words, the country desperately needs to speed up the development of the renewable energy sector.

To make it happen the government needs to act fast in a few key areas. First, it has to make sure that the new regulations governing zoning plans become law as soon as possible. Second, it needs to update the regulations under which renewable energy producers may get access to the energy grid—the so-called "direct line" regulations.

Kozicz said that the update should reflect the propositions from the Ministry of Development. Third, the ban on building windmills in the vicinity of residential buildings within a distance closer than 10 times the height of the proposed windmill must be revoked. Last but not least, the national power grid must be technically updated to allow for more connections from renewable energy producers.

For Mariusz Mielczarek, CEE Public Policy Director at Amazon, a company that has set itself a goal of being a zero net producer of carbon dioxide by 2040, Poland lags behind other CEE countries in introducing the PPA mechanism—a reciprocal financial relationship between an electricity generator (the electricity can be generated by renewable sources, mainly solar and wind), the seller, who develops and owns the project, and a dedicated purchaser of the electricity, the buyer.

"We see that in other countries in the region it is easier to invest in renewable energy than in Poland," Mielczarek said. "It is important for companies such as Amazon, who want to be climate neutral and achieve it locally."

Piotr Ciołkowski, Partner at CMS law firm, noted

that there are some new fees that renewable energy producers will have to pay before they are connected to the national power grid, which, in his view, may negatively impact the development of the renewable energy sector.

Another speaker, Marta Pawlak, Head of Legal and Public Policy at AmCham Poland, said that the new "windfall tax" proposed by the government will diminish the country's competitive edge for big foreign investors active in Poland.

With still fluid regulatory frameworks and limited scope of state aid, big energy consumers may resort to technology to use energy in more efficient ways, argued Jacek Borek, Managing Director, Accenture Technology in Poland. He said that the current energy crisis made energy a strategic issue for most companies, and they discover that digitization is a sure way to tackle the problem. "Without data, we do not know what to do," Borek said. "Meanwhile, with digital processes, companies may collect information on their production processes in real-time and apply it to make a more efficient use of energy."

## GOING NUCLEAR

The third discussion panel at the forum was entitled "Nuclear Energy—How US nuclear technologies can guarantee energy security in Poland".

Moderated by Robert Tomaszewski from Polityka Insight, a market analyst, the discussion oscillated around the impacts a civil nuclear program in Poland may have on the energy market in the country, and how it can reinforce the Polish-American strategic cooperation and nuclear technologies available to investors today.

Poland will not be able to achieve carbon-free power generation without nuclear energy, said Tomasz Nowacki, Nuclear Energy Department Director at the Ministry of Climate and Environment. He added that in picking up the best offer for building nuclear reactors in Poland, the government should choose such technology that ensures the production of low-cost energy on a large scale in Poland.

According to Rob Rudich, Energy Attaché and Energy Office Department Director at the US Embassy in Poland, strategic cooperation perspectives should also be important for the Polish government. He said that Poland and the US have a long history of working together and forging robust relationships, especially in the defense and people-to-people sectors. "We need to enhance our economic cooperation, and we see nuclear energy as an opportunity to help Poland develop skills and capabilities for a civil nuclear program that may bring Poland to a position of a regional leader in nuclear energy," Rudich said.

Rudich noted that the US Embassy in Poland proposed setting up a nuclear energy training center in Poland with a European mission. "That would help

**"The nuclear deal will also forge a center of future partnership in the energy sector between Poland and the US which will create thousands of clean energy jobs in both our countries for over a decade."**

## Mark Brzezinski, US Ambassador to Poland

Poland develop necessary skills for the nuclear sectors that will go on for generations," he said.

Rudich added that Poland should select one technology for the two nuclear power plants it plans to build. "It would be incredibly challenging to try to deploy two different reactor technologies at the same time. There is the economy of scale that would be lost building two separate technologies, and the regulatory challenges would be made unnecessarily complicated," he said.

Miroslaw Kowalik, President of Westinghouse Electric Poland, said that in its bid for the nuclear business in Poland, the company has presented a solid background of how to make nuclear energy work in Poland.

He noted that Westinghouse has talked with many Polish companies in the energy sector on how to create "solid local content" for Polish nuclear energy, including suppliers and service providers.

While conventional—or the so-called big—nuclear reactors require strategic government decisions, the technology of small modular reactors is a different story.

"The main difference is in technology and it starts with safety," said Vladimir Novak, Corporate Commercial Officer at Ultra Safe Nuclear. "The difference is in the design of the fuel. Small reactors are cooled with gas and have the fuel encapsulated in a ceramic structure that is as hard as diamond. The fuel has a margin of safety at over 1000 degrees of Celsius, which is some ten times higher than typical water-cooled reactors would have."

Novak said that in any operating circumstances the fuel cannot reach the melting point as it is technically impossible for a small reactor to experience a meltdown even when its cooling system is unable to function.

"In a small reactor which experiences a total loss of power the fuel will just get hotter and stay like that

until proper operations resume," Novak explained, adding that small reactors do not require those safety systems that are applied to traditional reactors.

To emphasize the safety of small reactors, Ultra Safe Nuclear placed one of its commercial small reactor projects on the University of Illinois campus. "You do not need to have the emergency planning zones of ten kilometers, which is typical with traditional reactors," Novak said.

According to Jacek Drózd, Vice President, Orlen Synthos Green Energy, small reactors offer "a renaissance" in the energy sector in Poland, as they can be set up almost anywhere. They may give a new lease of life to power stations that otherwise would be put offline because they use coal. Small nuclear reactors may also be used by production companies that have a huge energy demand. Nuclear energy is considered by the EU to be a green asset and therefore it is an interesting investment area for commercial banks in Poland that eye opportunities in the energy sector transformation, noted Sylwia Kraska, Senior Banker, Global Network, Citi Handlowy.

Yet, traditional nuclear projects are very cost-intensive, require long construction periods and payback time, and pose a high risk for investors. With this in mind, the Polish nuclear energy program will be a very challenging project for potential private investors including suppliers, contractors and vendors, but also for the regulators that will need to be engaged in it. "We see our role as working with all the stakeholders and helping build that new infrastructure," Kraska said.

She added that a project of such magnitude and technical and organizational complexity will require high-quality input from market regulators, legislators and tax authorities. "A stable regulatory frame-

work and tax environment designed for Poland's energy transformation is critical for boosting investors' confidence," Kraska said.

Talking about the best ways of financing a nuclear power plant construction in Poland, Łukasz Szatkowski, Partner at CMS, singled out the SaHo model, which was developed at the Warsaw School of Economics, as theoretically being the best solution to solve some problems characteristic to investing in nuclear energy. The model is now being discussed by the Polish government. In it, the initial phase of investment is shouldered by the state, but once the project is established as a special purpose vehicle, private investors can acquire shares in it as well.

## CLOSED DOOR MEETING

During the Energy Day forum, Tony Housh and Jerzy Kozicz closed over a closed meeting with the representatives of companies who are members of the AmCham Advisory Council and Andrzej Kaźmierski, Deputy Director, Low Emission Economy Department at the Ministry of Development and Technology. AmCham members voiced their opinions on government contingency plans for the energy sector designed to be used in case it faces low gas provisions, and discussed government propositions to curb energy prices and other market regulations that have a significant impact on energy transformation.

In his forum closing remarks, Tony Housh thanked the sponsors and all the participants for their time and attention and said that energy is such an important topic that drives "almost everything about the economy" which is why "we will probably see a repeat of this forum a couple of times to drive these messages home and continue the discussions".

**"The EU plan to use LPG as a transition fuel may be a short-term solution, but long-term we expect that the use of renewable sources will accelerate."**

**Barbara Słomkowska, Director, Global Network Banking, Citi Handlowy**



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**ENERGY DAY CITI HANDLOWY**

# BOOSTING INVESTORS' CONFIDENCE IN GREEN TRANSFORMATION



*AmCham.pl Quarterly's Editor Tomasz Ćwiok talks with **Elzbieta Czetwertynska**, Citi Handlowy CEO and Citi Country Officer Poland, about some aspects of the bank's view on the green transition.*

**The general message from the banking sector at the Energy Day forum was that commercial banks are ready to support the transformation of the Polish energy sector. What does it mean for Citi Handlowy?**

The support for customers in transforming their business models towards sustainable development is a very important element of Citi Handlowy's strategy. In December, we pledged to lend PLN 1 billion over the next three years for green transformation to our clients, offering them a range of solutions and advisory services in this respect. We see rising demand for green solutions from businesses in Poland. In longer-term, we expect this process to accelerate, both driven by the need to fight climate change, as well as the fact that renewable energy will help secure energy independence, as "security" is the new "s" in the ESG paradigm now.

**One of the messages of the Energy Day forum was that invest-**

**ing in the energy sector is very cost-intensive and complex, and requires a long construction time. How can the government and lawmakers help investors?**

Energy security has been regarded as a strategic area in Poland for more than a decade. Since the outbreak of war in Ukraine it's been also a key topic of discussion and concern in the whole European Union. I think that the current situation reduces the risk of introducing measures that may deteriorate investment attractiveness in key infrastructure. Investors should be aware, though, that in most cases energy related projects are long-term investments with high barriers to exit. Therefore, they may expect guarantees from the state that will protect them against chosen risks, especially risk of significant changes in the regulatory environment that may impact future profits.

**How mature is the Polish green financial market at present to support the challenge of the en-**

**ergy transformation in Poland?** Green finance still constitutes a relatively small part of the Polish financial market, but has been developing dynamically. ESG policy is implemented in Polish banks' strategies, including of course Citi Handlowy. Polish banks have also all required resources to increase their exposure to green assets, although a number of the State's aid programs supporting retail clients impacted the industry's ability to finance the economy, including energy transformation.

Nevertheless, the biggest obstacles in development of green finance are on the demand side as well as unfavorable market conditions, such as high interest rates and uncertainty concerning further development of the economy. The Green financial market in Poland would certainly benefit from the release of EU funds, which could translate into higher private investments. As in the case of any other investment, what is important is a stable regulatory environment and transparent tax policy, which will help in revival

of demand for green products on financial markets.

**What is the reaction of business to the green transition globally?**

Globally, we have seen more regulations and commitments to decarbonization. Businesses, investors and governments have joined the Race to Zero campaign from United Nations Climate Change, which mobilizes net-zero greenhouse gas emission initiatives. Companies are increasingly turning to renewable energy, energy efficiency and greening supply chains to achieve net zero targets. Main drivers for corporate climate action are consumer pressure, competition, brand positioning and risk management.

At Citi Handlowy and Citi we have been actively supporting investors, governments and corporations in their transition to a low carbon future. In this respect, we are the transition bank.

**At Citi Handlowy and Citi we have been actively supporting investors, governments and corporations in their transition to a low carbon future. In this respect, we are the transition bank.**

The infographic is a circular graphic with a light blue background. At the center is the logo for the American Chamber of Commerce in Poland, which features an American flag motif and the text "AMERICAN CHAMBER OF COMMERCE IN POLAND". Surrounding the central logo are various social media and communication icons: a camera, a person icon, a star, a Wi-Fi symbol, a laptop, a globe, a speech bubble, a plus sign, a menu icon, a location pin, a mobile phone, an envelope, a video player, a star, and a LinkedIn logo. Text elements include "@AmChamPoland" at the top left, "American Chamber of Commerce in Poland" on the right, and "American Chamber of Commerce in Poland" and "AmChamPoland" at the bottom. At the bottom center, the phrase "Stay in touch!" is written in a large, stylized, orange font.

**ENERGY DAY CMC POLAND**

# FIVE MUST-HAVES FOR GOING GREEN

**Why is energy so costly now in Poland and across the EU?**

The present high energy prices are mainly due to the shortage of natural gas. As it is used to generate electric power, electricity prices are also soaring. The price of a megawatt-hour from fossil fuels reached four digits in Polish zloty, while, according to publicly available information, energy from onshore wind and photovoltaic can reach 200 PLN per megawatt-hour.

To reduce energy prices we urgently need to increase energy production from cheaper sources such as renewables, while we reduce usage of the most expensive conventional energy sources.

Increasing green energy production will allow the industry to remain internationally competitive because renewables have lower prices and a low carbon footprint. Both of these factors are relevant to the sector's decarbonization process which involves replacing current consumption with green energy and significantly increasing the energy available to produce the so-called green hydrogen.

**What is the best way to increase green energy production in Poland?**

We need to liberalize regulations that are artificially blocking the construction of solar and wind farms in Poland, and create a friendly legal environment which would establish a connection between the industry and the green energy sector.

The European Commission issued a package called REPowerE that confirmed that the biggest problem for the development of renewable energy sources is posed by administrative barriers. They need to be removed. Guidance on how to do it is necessary. Increasing numbers of Poles think that Poland should develop more renewable energy sources, including wind and solar farms, but also hydroelectric power plants. It is generally understood that such new energy sources will improve energy security and reduce economic dependence on fossil fuels. Industry and the renewable energy sector together have developed our top five recommendations, which, when implemented, will unlock energy from renewable sources.

**What are these recommendations?**

The first recommendation calls for the adoption of the amendment to the



**AmCham.pl Quarterly Editor Tomasz Ćwiok talks with Jerzy Kozicz, President of the Management Board of CMC Poland, a commercial metals producer, about how to increase green energy production in Poland.**

Zoning and Land Use Act, as proposed by the Department of Spatial Planning at the Ministry of Economic Development and Technology. The amendment establishes zoning regulations for renewable energy installations, excluding wind farms, that will kick start the development of solar farms in Poland. The implementation of the act will make local zoning planning simpler to prepare. Today, it takes up to several years to enact or amend local zoning plans, which is a major impediment for investors. Our second demand is that the amendment to the Direct Line Regulation should be implemented in law in accordance with the proposal issued by the Ministry of Economic Development and Technology on September 30, 2022. The industry and the renewable energy sector welcome the proposed regulations as they set ground rules for connecting companies to renewable energy sources without the need to obtain consent from the President of the En-

ergy Regulation Office. The regulations proposed by the ministry offer win-win solutions for renewable energy producers and consumers and should be implemented as soon as possible.

A third recommendation is that the 10H rule should be revoked. The rule sets limits on building on shore windmills near residential areas within a distance closer than 10 times the height of the proposed windmill. Experts estimate that the Wind Power Investment Law, the so-called 10H Act, has excluded more than 99 percent of Poland territory from wind investments since 2017. In Europe, only Poland and Denmark have such restrictive regulations. For instance, in the Netherlands, there is no minimum distance for the location of turbines from residential areas, while, indeed, such restrictions may be imposed by local governments. In Germany, the distance between windmill and residential area is a minimum 1,000 meters but in France the minimum

distance is 500 meters. The project to liberalize the 10H Law has been stuck in Parliament for more than two months. Without the elimination of the 10H rule we will not go forward with green energy production. Wind is free and it is unreasonable that we do not benefit from it. Our fourth recommendation is to increase the technical potential for connecting large amounts of renewable energy sources to the national energy grid. We believe that the grid must be modernized to allow for connecting new energy sources to increase the share of green energy in the energy mix.

Investors in green energy expect that the authorities will issue formal conditions for connecting to the grid at the beginning of the investment process, even before investors receive building and environmental permits. This reduces the costs for investors. It is done this way in many EU countries. In other words, the grid should be made technically available to connect to new energy sources within a time frame required by the investment process in the new energy sources. In addition, we recommend that the upgrade of the grid should be financed from EU funds as well as from revenue generated by the sale of emission allowances.

We also support cable pooling as a solution for a shortage of grid connections and a way to use energy infrastructure more efficiently.

Our fifth recommendation calls for the simplification of administrative procedures to shorten the investment process in renewable energy. The Renewable Energy Directive II indicates a maximum two-year-long deadline for the finalization of the investment process for renewable energy installations with a capacity of over 150 kilowatts. The European Commission proposes a further time reduction of the investment process to one year. Meanwhile, in Poland, the investment process for a solar power plant takes between two to four years, while in other EU countries it can be completed within three to six months.

**What is your final message to the authorities?**

The energy-intensive industry is a reliable discussion partner. We are open to talks about our recommendations.



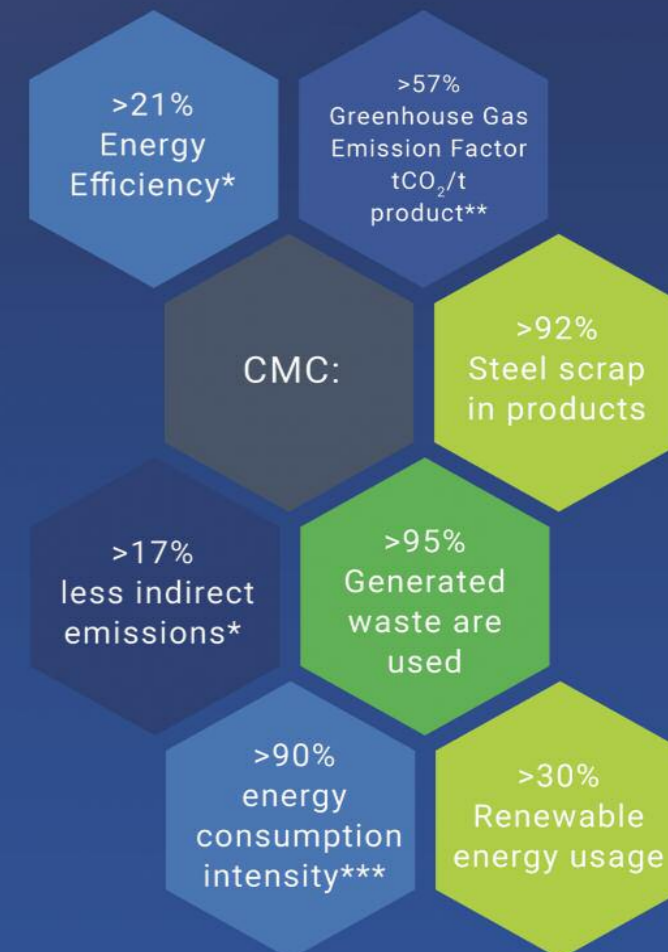
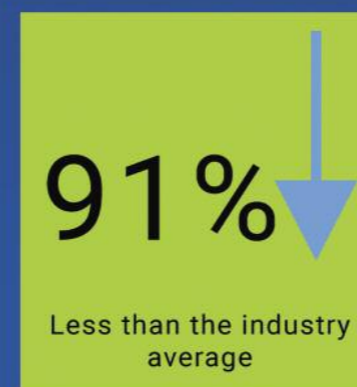
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it's what's **inside** that counts

Greenhouse Gas Emissions Intensity [t CO<sub>2</sub>/t product]



Energy Consumption Intensity [GJ/t product]



\*base year 2005  
\*\*base year 1990  
\*\*\* World Steel Organisation - Industry Average in 2021 (BF+BOF and EAF)



CMC POLAND  
**Type III Environmental Product Declaration**

**EVENT ENERGY DAY**

NEARLY 200 PARTICIPANTS ATTENDED THE ENERGY DAY FORUM, A CONFERENCE ADDRESSING THE MAIN CHALLENGES FOR THE ENERGY SECTOR, COMING AS A RESULT OF THE CURRENT ENERGY CRISIS IN EUROPE. IT WAS ORGANIZED BY AMCHAM POLAND AND THE UNITED NA-

TIONS GLOBAL COMPACT, AT THE WESTIN WARSAW, ON OCTOBER 6. THE ATTENDEES REPRESENTED THE ENERGY, FINANCIAL, AND BANKING SECTORS, WITH SUPPORT FROM LEGAL AND REGULATORY SERVICES, AND GOVERNMENT REPRESENTATIVES.



1. TONY HOUSH, AMCHAM CHAIRMAN (NORTHROP GRUMMAN). 2. KAMIL WYSZKOWSKI, EXECUTIVE DIRECTOR, UN GLOBAL COMPACT NETWORK POLAND. 3. MARK BRZEZINSKI, US AMBASSADOR TO POLAND. 4. BARTLOMIEJ PAWLAK, VICE-PRESIDENT OF THE MANAGEMENT BOARD, POLISH DEVELOPMENT FUND PFR. 5. BARBARA SŁOMKOWSKA, DIRECTOR, GLOBAL NETWORK BANKING, CITI HANDLOWY. 6. JERZY KOZICZ, PRESIDENT OF THE MANAGEMENT BOARD, CMC POLAND. 7. TONY HOUSH; TOMASZ NOWACKI, DIRECTOR OF NUCLEAR ENERGY DEPARTMENT, MINISTRY OF CLIMATE AND ENVIRONMENT; MATEUSZ JURCZYK, AMCHAM KRAKÓW & KATOWICE DIRECTOR. 8. MARK BRZEZINSKI; ANNA JANCZEWSKA, US EMBASSY; SŁAWOMIR ŻYGOWSKI, GE. 9. DISCUSSION PANEL ENTITLED "INVESTING IN GREEN ENERGY AND ESG": MICHAŁ KOZCZALSKI, MODERATOR (CEC GROUP); MAGDALENA BRZEZIŃSKA, GRUPA ŻYWIĆ; MARIUSZ WAWER, 3M; KATARZYNA SZWARC, MINISTRY OF FINANCE; RENE KOINZACK, LUFTHANSA GROUP; MAGDALENA HILGNER, EY; STANISŁAW MOTYLSKI, FLEX. 10. MARK BRZEZINSKI; JAMES LINDLEY, US EMBASSY; JERZY KOZICZ, CMC POLAND. 11. KATARZYNA SZWARC, HIGH REPRESENTATIVE OF THE MINISTER OF FINANCE FOR CAPITAL MARKET DEVELOPMENT STRATEGY, MINISTRY OF FINANCE. 12. MARK BRZEZINSKI; TONY HOUSH; KAMIL WYSZKOWSKI. 13. THE PARTICIPANTS OF A BREAKOUT SESSION ENTITLED "ENERGY TRANSITION RELATED CHALLENGES AND CHANCES FOR COMPANIES OPERATING IN POLAND". 14. DISCUSSION PANEL ENTITLED "STAYING COMPETITIVE IN THE ERA OF ENERGY CRISIS": REMIGIUSZ NOWAKOWSKI, MODERATOR (DISE); JACEK BOREK, ACCENTURE; PIOTR CIOLKOWSKI, CMS; ANDRZEJ KĄZMIERSKI, MINISTRY OF DEVELOPMENT AND TECHNOLOGY; ROMAN GAWRYSIAK, UNIMOT; MARIUSZ MIELCZAREK, AMAZON; JERZY KOZICZ; MARTA PAWLAK, AMCHAM. 15. KAMIL WYSZKOWSKI; MATEUSZ JURCZYK; MARZENA DRELA, AMCHAM OPERATIONS DIRECTOR; BARBARA SŁOMKOWSKA; KATARZYNA SZWARC; TONY HOUSH; GRZEGORZ SŁOMKOWSKI, BOARD MEMBER, POLISH INVESTMENT & TRADE AGENCY; JERZY KOZICZ. 16. ANDRZEJ KĄZMIERSKI, DEPUTY DIRECTOR, DEPARTMENT FOR LOW-EMISSION ECONOMY, MINISTRY OF DEVELOPMENT AND TECHNOLOGY. 17. TOMASZ NOWACKI. 18. ROB RUDICH, ENERGY ATTACHÉ AND DIRECTOR, ENERGY OFFICE, US EMBASSY WARSAW. 19. ANNA PAPKA, AMAZON; MARIUSZ WAWER, 3M. 20. DISCUSSION PANEL ENTITLED "NUCLEAR ENERGY": ROBERT TOMASZEWSKI, MODERATOR (POLITYKA INSIGHT); JACEK DRÓZD, ORLEN SYNTHOS GREEN ENERGY; TOMASZ NOWACKI, MINISTRY OF CLIMATE AND ENVIRONMENT; ROB RUDICH; ŁUKASZ SZATKOWSKI, CMS; VLADIMIR NOVAK, ULTRA SAFE NUCLEAR; SYLWIA KRASKA, CITI HANDLOWY; MIROSŁAW KOWALIK, WESTINGHOUSE ELECTRIC POLAND. 21. JERZY KOZICZ; TONY HOUSH; MARTA PAWLAK. 22. TONY HOUSH; TOMASZ BIANGA, EATON. 23. REMIGIUSZ NOWAKOWSKI; JERZY KOZICZ. 24. THE LUFTHANSA TEAM. 25. THE UNIMOT TEAM.



# ENERGY DAY



**AmCham Poland and UN Global Compact Network Poland wish to express their gratitude to the Sponsors of the Energy Day Forum, without whom the event would not have been the success it was!**

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**WARSAW, OCTOBER 6, 2022**



September

# SUSTAINABLE CITY

Warsaw Mayor Rafał Trzaskowski was the guest speaker at the AmCham September Monthly Meeting.

The event was devoted to discussing the investment climate and opportunities for foreign investors in Poland's capital city. Mayor Trzaskowski opened his address to the chamber by thanking its members for stepping up to help with the Ukrainian refugee crisis. He said that American companies acted so fast that "American money came to the city" before relief funds from the European Union and the United Nations. By the time of the meeting, over 6 million refugees from Ukraine had entered Poland. Warsaw became a new home for over 200,000 of them, including 80,000 minors in preschool and school age.

## TOP PRIORITIES

Mayor Trzaskowski said that the top priority for Warsaw now is to follow the EU agenda on global warming. If Warsaw fails to comply with the EU standards in its transformation to sustainable energy, the city will not be eligible to receive any EU development funds. To address this issue, Warsaw has developed an energy strategy, which focuses, among others, on promoting sustainable development, for which the city introduced specific requirements and "green building standards". The city has also launched a massive old furnace replacement program, called "Stop Smog", and created a "green fund" to aid investors in this project to help the city achieve its sustainability goals. Warsaw also has major plans for removing car traffic from the city. The first step, now in progress, is to limit free parking space for cars within city center. In time, the area will be extended beyond downtown Warsaw. "The need to use cars in the city center will be supplemented by a perfect public transportation system," the mayor said, adding that the Warsaw public transportation system uses sustainable energy sources and offers the cheapest fares among capital cities in the EU.

## LIFE QUALITY

Mayor Trzaskowski said that one of his priorities is to continue to change the city so it has less "concrete and cement" and more "people-friendly environments" where people can walk, meet, and enjoy city life. He noted that some solid progress has been made. "Thirty years ago no-one wanted to walk in the city center because it was dark and dangerous," Trzaskowski said. "Now, it is a different story." The mayor noted that through urban regeneration

projects a number of areas developed, such as Plac Zbawiciela, where bars, restaurants, art galleries and a nearby cinema attract crowds and generate dynamic city life. Similar areas have developed in other areas of the city, but they are local enclaves. "Now it is time to connect them so we can have much more life in the city center and more culture," Trzaskowski said, adding that the museum of modern art, an ultra-modern building which is set to be constructed on Marszałkowska—one of the main streets in downtown Warsaw—will be a major cultural attraction and a huge educational center, emerging as the city's new landmark.

## CITY FOR INVESTORS

Mayor Trzaskowski said that despite the war in Ukraine, Poland is a safe country with business as usual. He noted that while some political issues between the national government and the European Commission may trigger criticism across the EU and in



**A man of vision:** Rafał Trzaskowski wants Warsaw to reinvent itself as a people-friendly city attracting top talent and offering great investment opportunities.

the US, Poland is a democratic country with an independent judicial system; and a country where investors do not need to have political connections to thrive. The mayor said that the city offers many business opportunities around the smart-city concept, which should be eyed with interest by technology startups. Warsaw outsources data on vital city functions, such as street traffic, for others "to make fantastic applications". Warsaw also has programs to draw top talent and entrepreneurial spirit. With it, the city managed to attract many companies which, because of Brexit, were looking for new locations in continental Europe. With the Ukrainian refugee crisis, the city runs programs to ferret out IT specialists and others and helps them find new jobs. It also collabo-

rates with universities in the city so they focus their curricula on delivering professionals in fields that are "important for the future", such as the circular economy.

Closing his speech, Mayor Trzaskowski urged AmCham members to provide feedback to the city on how it can improve for the international business community. "Let's work together on how we can make opportunities for investors in Warsaw easier and greater," he said.

## MEET THE SPEAKER

Rafał Trzaskowski was elected Warsaw Mayor in 2018, in the first round, running against the candidate of the ruling Law and Justice (PiS) Patryk Jaki. Trzaskowski is one of the most popular politicians of the opposition party Civic Platform. Many political experts say that he has high chances to take the post of prime minister in the future. Trzaskowski served as a Member of the European Parliament (2009–2013), Minister of Administration and Digitization (2013–2014) as well as the Secretary of State in the Ministry of Foreign Affairs of the Republic of Poland (2014–2015). He was elected to the Polish Parliament in 2015. In May 2020, Trzaskowski became the Civic Platform's candidate for the Presidency of Poland. In the second round he lost to incumbent President Andrzej Duda. Trzaskowski attended high school in Warsaw and Cranbrook-Kingswood High School in Bloomfield Hills, Michigan (1990-1991). He studied international relations and English philology at the University of Warsaw, graduating in 1996, and subsequently graduated in European studies from the College of Europe in Natolin, Warsaw (1997). He was granted a scholarship to Oxford University in 1996 as well as to the European Union Institute for Security

Studies in Paris in 2002. In 2004, he obtained his PhD in political science at the University of Warsaw's Faculty of Journalism and Political Science. Trzaskowski grew up partially exposed to American culture. His father, Andrzej Trzaskowski, a renowned pianist, composer and musicologist, was a leading member of an elite group of musicians who pioneered jazz in Poland in the 1950s. In his forum closing remarks, Tony Housh thanked the sponsors and all the participants for their time and attention and said that energy is such an important topic that drives "almost everything about the economy" which is why "we will probably see a repeat of this forum a couple of times to drive these messages home and continue the discussions".

November

# SAFE AND FREE

The AmCham Monthly Meeting in November hosted Secretary of State Janusz Cieszyński, Government Plenipotentiary for Cyber Security at the Office of the Prime Minister. The speaker explained government policies to safeguard high cybersecurity standards and keep the market attractive to investors.

## INSTITUTIONAL STRUCTURES

Explaining his role as the plenipotentiary for cyber security, the speaker said that it primarily focuses on the coordination of the work of government agencies charged with cybersecurity: the Scientific and Academic Computer Network (NASK), the Counterintelligence Services (SKW), and the National Center for Cyberspace Security (NCBC). The NASK, a scientific organization, has the longest history of tackling cybercrime in Poland and employs seasoned experts. In turn, the SKW and NCBC are special services agencies with access to classified information and other capacities that are off-limits to other agencies. While the SKW is charged with the protection of the government and supporting the Polish Armed Forces, the NCBC has been developing to meet the challenges of the rapidly changing cybersecurity landscape from a much broader perspective. Cieszyński underlined that all three agencies have recently worked "hand in hand" on complex issues and, among others, discovered Zero Day malware in commercially used software in Poland. Cieszyński noted that thanks to recent regulatory change motioned by the government, central and local government institutions may offer cyber security experts salaries above the pay grade reserved for public servants.

## FIRST TIER OF RESISTANCE

The speaker said that, generally, there is a level of

awareness of the importance of cybersecurity across the public sector in Poland. It is universally understood that institutions and organizations must protect their data and act as the first tier of resistance against cyber threats. In addition, it is embedded in many organizations' cultures that they should "keep their data to themselves". The speaker noted that the private sector in Poland has been going through a major reshuffle in managing cybersecurity. While in the past cybersecurity experts employed by companies were members of the back-office, today they are being moved to the top of managerial structures in their organizations. This is because cybersecurity is predominantly concerned with human errors, unlike in the past, when it was perceived a software-critical issue.

## KEEPING THE MARKET FREE

Cieszyński said that Poland is engaged in cybersecurity regulatory work on the European Union level. He noted that some EU countries tend to over-regulate cybersecurity, "beyond what we think is reasonable". The Polish government intends to keep the cybersecurity market as competitive as possible. The country has had a successful digital transformation, which would not have been possible without access to IT solutions developed by the private sector. In the same vein, the government does not intend to shut down the IT infrastructure market to any vendor. Instead, it plans to introduce the status of "high-risk vendor" which will be assigned to producers if IT equipment, following technical expert scrutiny to assess the security risks of their products. With this, the speaker said, the IT critical infrastructure market will be a level playing field in Poland, open to all investors.

The government is also open to collaboration with

the private sector on facilitating cybersecurity expert training programs. While the programs should be executed by private companies—as they are the experts—the government can provide top talent sourced from Polish technical schools and universities.

## MEET THE SPEAKER

Janusz Cieszyński was appointed Government Plenipotentiary for Cyber Security in June 2021. He is charged with coordinating the implementation of the government's policy for safeguarding cyber security in the internet and facilitating the understanding of cybersecurity threats for the regulators. In April 2021, Cieszyński was appointed Vice Chairman of the Council for Digital Affairs—a body of experts providing advice on IT to the Committee of Digital Affairs which is run by the Council of Ministers. Prior to that, Cieszyński served as Deputy Mayor of Chelm—a city in the Lubuskie province, eastern Poland. In 2016-2017, Cieszyński served as an adviser to Prime Minister Mateusz Morawiecki at the Ministry of Development and the Ministry of Finance and headed the Department of Small and Medium Enterprises at the Ministry of Development. Cieszyński graduated in finance and accounting from the Warsaw School of Economics SGH. In 2009-2014 he worked in financial and marketing departments of the telecom company Orange Polska.

## AMCHAM EXPERTS

# SHARING EXPERTISE

[AmCham.pl/experts](https://amcham.pl/experts)



Check out the Expert section with new articles by experts from nine AmCham member companies. **Andrew Harding**, representing AICPA & CIMA, offers insights into new toolkits for strategic risk management. Deloitte's **Michael Wodzicki** and **Jakub Piznal** take a look at the digital advancement of the Polish banking sector. **Jarosław Beldowski** from Dentons writes about three challenges for the banking sector

in 2023. Newmark's **Michael Kürschner**, **Michael Hall**, and **Agnieszka Giermakowska**, write about how ESG is becoming a value driver in commercial real estate. **Katarzyna Chwalbińska-Kusek** from Savills writes about how commercial real estate assimilates ESG standards. **Dr. Marcin S. Wnukowski** and **Paweł Bukiel** from Squire Patton Boggs write about the provisions of a new law regulating

relations between companies within the same group. TMF Group's **Katarzyna Saganowska** outlines compliance obligations for companies which use cryptocurrencies. Vistra's **Krzysztof Wójcik** and **Piotr Prokocki** write about compliance and taxation aspects of employee share option plans. Wolf Theiss' **Konrad Kosicki** and **Karolina Lewandowska** write why Poland needs to build energy storage facilities.

# BEING THERE FOR ALL



*AmCham.pl Quarterly* Editor Tomasz Cwiok talks with Mariusz Mik, Vice President Ground Operations, Eastern Europe, FedEx Express, about how the company is growing to become the essential business partner of companies that sell products abroad.

**FedEx started international shipping services in Poland in 1990 through alliances with local companies. In 2012 it acquired Opek in Poland, which, in 2013 became FedEx Express Polska. What were other milestones for the company in Poland?**

FedEx has a long history in Poland. In fact, we have been here for over three decades. During that time, we have grown our business with some major milestones along the way, such as opening ourselves to the domestic market and strengthening our presence through the acquisition of one of the major Polish courier companies,

Opek, in 2012. The global acquisition of TNT announced in 2016 was a real game-changer for us. It was the largest acquisition in the history of our industry, and it gave us the scale and the network we needed to compete in Poland and across Europe. It helped us to give our global customers better access to Europe and give European businesses better access to the world. We have made this possible through combining the global FedEx air network, connecting 99 percent of the world's GDP, and the TNT European road network, which serves 85 percent of Europe's GDP, and through building an outstanding service portfolio

for our customers.

As one of the biggest markets in the region, Poland has a significant role to play in this global jigsaw, with more than 2,500 team members, three air gateways, three road hubs, and approximately 60 ground-operations facilities across the country. We are constantly strengthening our position in Poland, broadening our portfolio, expanding our ground operations locations with new facilities, and enhancing our network with the right capacity needed to serve our customers during a time of constrained supply chains.

**In June, FedEx opened a new**

**ground-operations facility, in Gdańsk, adding 60 jobs and over 9,000 square meters of office and warehouse space. The facility can process 4,500 packages per hour and it is equipped with parking stations for 159 courier van loading docks and 10 gates for line-haul trucks. How important is the Polish market for FedEx market in Europe and what is its growth potential?**

Our new ground operations facility in Gdańsk is part of a multimillion-dollar investment program dedicated to Central and Eastern Europe, which also includes new facilities in Riga, Prague, Cluj

and Sibiu in Romania. Poland has always been an essential piece in the bigger puzzle due to the sheer size of the market and its geographic location.

Our Gdańsk facility, with its strategic location, enables businesses in the region to connect easily and expand into domestic and international markets across Europe and the world thanks to the easy access to our extensive road network and FedEx global air network.

But it is not only Gdańsk where we are investing right now. Recently, a new ground operations facility was opened in Kalisz, in central Poland; and a number of our existing Warsaw facilities are being expanded as we speak. We have also strengthened our air network, replacing a smaller ATR aircraft with a Boeing 737-800, one of the largest cargo planes available, to connect Warsaw and Katowice with our main European hub at Paris-Charles de Gaulle. These investments show that Poland has great potential, and we are striving to unlock it fully.

**The pandemic has fueled the growth of e-commerce as more consumers buy online and order their purchase to be delivered to their homes. Has the pandemic delivered growth to the FedEx business?**

Even before the pandemic, we expected 90 percent of all future parcel growth to come from e-commerce. The pandemic has just propelled that growth faster and sooner than anyone could have ever projected. The change came not only earlier, but also with a transformation of the retail landscape. Clearly, all this translated into a significant increase in the number of e-commerce parcels in our network too. In recent years, we have introduced tailored solutions for our e-commerce customers, starting with the right offers that balance speed and price. And the flexibility we have in our network means we are able to handle changing demands in the marketplace. In the coming years, we will continue to be at the center of the commerce ecosystem.

**Do you see the growth trends continue now and into the foreseeable future?**

According to the Organization for Economic Co-operation and Development, the shift in demand from brick-and-mortar retail to e-commerce is expected to be long-lasting. E-commerce will undoubtedly continue to drive strong parcel market growth. As we look to the next financial year,

it is clear that these structural challenges and changes in buying behavior will persist.

Worldwide, e-commerce sales are expected to exceed USD 5 trillion in 2022 and grow to over USD 7 trillion in 2025, creating many opportunities for European businesses. In Poland, this sector is expected to exceed PLN 100 billion in 2022 and grow in double digits until 2025 to reach PLN 187 billion in 2027.

**What are other growth aspects that drive the market today?**

We see great potential in small and medium-sized businesses seeking opportunities in international markets. For some time now, we have been living in a fast-paced, connected world, where you can buy and sell online, reaching new markets in the blink of an eye. Entrepreneurs no longer need to be exclusively tied to their local markets.

In this environment, our role has also changed, from the service provider to being a partner – one that supports and guides small and medium-sized businesses through the ins and outs of trading across borders.

For example, imagine you are a Polish entrepreneur who sells products domestically but also to the US. Thanks to the investments we made in our network and our portfolio, you can offer your customers in the US the same opportunity to receive their shipment next-day. That way, Polish businesses – whatever their size or scale – can compete with domestic businesses overseas.

**The war in Ukraine has clouded the prospects of a smooth recovery post pandemic as fuel prices soar while commercial flights have to take longer routes to avoid no-fly zones over Russia and Ukraine. How has the situation impacted your business?**

This terrible conflict has touched us all personally. From the start, the safety of our team members in Ukraine and their families has been at the forefront of our response to this conflict. To support them, we provided direct financial assistance and other resources.

We also believe it is our responsibility to use our resources and global capabilities to help alleviate human suffering in our communities. To that end, FedEx has donated more than USD 2.3 million in humanitarian aid to support those impacted by the conflict in Ukraine, including USD 1 million that has been allocated for in-kind shipping some of which were routed via Poland

with the company's longstanding non-profit partners.

From an industry perspective, the conflict in Ukraine has put additional pressure on supply chains and the wider business environment. In addition to road transport, rail and sea transport have also been affected, and closed airspace is putting pressure on air freight as well.

We do not have a large business presence in Russia or Ukraine, but each team member and their families have been at the forefront of our response to this conflict. Whilst this conflict has impacted some of our operations, we've managed through this challenge. All these events have shown just how important it is to build a flexible and resilient supply chain, and this is what we do at FedEx.

**What are major challenges to business as you see them today?**

We've learned in the last two years that we live in turbulent times, and COVID is still causing uncertainty in the global recovery. For our industry, one major challenge has been the imbalance in supply and demand triggered by the depletion of logistics capacity, caused, for example, by the decline of passenger travel, which is a vital part of global supply chains. The simultaneous increase in the demand for goods over services during lockdown has exacerbated this situation.

How the recovery phase shapes up will be important for businesses. New lockdowns in China and the geopolitical situation in the market means there is still a lot ahead of us. However, there are some positive signs. Passenger travel is steadily returning, though it is not likely to fully recover to pre-pandemic levels until 2024.

**FedEx has strengthened its e-commerce offering with the international day-definite delivery service, the FedEx International Connect Plus (FICP), across Europe. What can you tell us about this service in terms of advantages for customers?**

The FICP is an international, day-definite service balancing speed and pricing. The service is coupled with our customs clearance expertise, and it's available to customers in 25 European countries, including Poland, with connections to over 190 major markets worldwide. Other supporting capabilities include tracking, sending out notifications to receivers, and flexibility to change delivery options via an app, which provides shoppers with visibility,

more control, and convenience over their online orders.

On top of the FICP we are also excited about the recent launch of our new Poland-US next-day service. Poland and the US share a close trading relationship, with the US being the second primary non-EU export market for Polish entities after the UK. Our next-day service means that Polish businesses can compete with domestic companies in the US with a market-leading service that allows goods to be delivered next-day to most business centers in the US.

Last year, FedEx published its commitment to achieve carbon-neutral operations by 2040. To help reach this goal, the company is designating more than USD 2 billion of initial investment in three key areas: vehicle electrification, sustainable energy, and carbon sequestration.

**How does this program look like in Poland in these three areas?**

As much as we are committed to keeping trade flowing, we want to do this in a responsible way. Our global goal, to achieve carbon-neutral operations by 2040, will see us move at a different pace in different markets. The electrification of our parcel pickup and delivery fleet is a clear priority that will help us reduce the emissions of our operations in the short, medium, and long-term. By 2040, the entire FedEx parcel and delivery fleet—the so-called PUT—will contain only zero-emission electric vehicles. This will be accomplished through phased programs to replace existing vehicles. For example, by 2025, 50 percent of FedEx Express global PUD vehicle purchases will be electric vehicles, rising to 100 percent by 2030. We will continue to apply the Reduce, Replace, Revolutionize approach, focusing our sustainability investments on transformative change that will lead to a reduction of our carbon footprint across vehicles, facilities, and aviation.

At the same time, we continue to sponsor the work of charitable organizations taking action beyond our own business and even our industry. Through FedEx Cares, we develop charitable collaborations and provide valuable funding for projects that can accelerate and scale sustainable solutions for public mobility, carbon capture, and environmental biodiversity. One of those initiatives is the Safer Cycling Advocate Program, created by the Global Alliance of NGOs for Road Safety and the European Cycling Federation, which now is rolling out in Toruń.

# CATERING TO DEMANDING CLIENTS



*AmCham.pl Quarterly* Editor Tomasz Ćwiok, Editor, *AmCham.pl Quarterly*, talks with **Artur Sutor**, CEO of the Polish Chapter of the International Tenant Representative Association Global, about the post-pandemic challenges in the commercial real estate.

**What can you tell us about the history of ITRA Global and its Polish chapter?**

The market consolidation performed recently by the largest consulting firms has left a gap in the Polish real estate market. I have been watching this market for more than twenty years, and I can see that tenants' awareness

has been growing. They realize that they need impartial service and support from advisers who have no risk of a conflict of interest resulting from their company representing developers or landlords. I believe that there is a need for transparent relationships, which is why, in early 2022, my team and I joined forces with an interna-

tional partner, ITRA Global, representing corporate tenants and occupiers of commercial real estate in major markets across the globe. Creating the Polish branch of ITRA Global is another step in a direction I took many years ago. I believe that there is a need for independent advisers who do not hesitate when it is time to take

sides at the negotiating table. The International Tenant Representation Poland will always represent and support tenants only.

**Representing tenants only eliminates the risk of conflict of interest for the agency. What are the benefits for the tenant-**

**clients?**

Many agencies work for two parties in a transaction: the landlords and tenants. It is usually difficult to reconcile their interests. ITRA Global Poland follows a different philosophy. We are independent and have no ties with landlords whatsoever. We do not represent real-estate developers, in either the commercialization process or property management. We work exclusively for office tenants and are their reliable partner, which is our strength and an undeniable benefit to our clients. We find optimal solutions for them, renegotiating the terms of current leases or looking for the best spaces to suit their business in the external market.

**According to the ITRA Polska website, the agency partners with its clients to help them achieve their business goals by delivering to them end-to-end services. What is the agency's corporate culture like?**

We have been gaining experience in the Polish market for more than 20 years, always offering reliability, professional service and tailored solutions. Our range of services goes beyond end-to-end consultancy. It is also focused on such aspects of their business that the post-pandemic office market must address, such as the changing role of the office, which is no longer just a workplace but also a place that supports employees' well-being and efficiency and, in the long term, the company's business goals.

**ITRA Global Poland is a part of an international organization with offices in 300 locations the world over. What comes with it for the clients in Poland?**

The ITRA's network of partners forms a global power, providing consultancy to businesses of different sizes, areas of specialization and work models in hundreds of locations worldwide, now also in Poland. That provides our clients with even better access to reliable growth models in Poland. For many years, my team and I have been supporting multinational companies operating in Europe. At present, as a part of ITRA Global, we can offer them our knowledge and years of ex-

perience gained in the domestic market, as well as our association's best practices and international know-how.

**The economy is experiencing an unprecedented rise in energy prices. What is the impact of this upon the office market in Poland?**

Office tenants will face higher office operating fees. This is not only due to skyrocketing energy prices. Inflation has also caused an increase in the prices of services, which are a component of office operating costs. Companies will have to make savings by introducing solutions reducing energy consumption in buildings to optimize the use of, for instance, lighting in common areas such as parking lots, garages and stairwells. The situation is similar in the warehouse and logistics market. Certainly, the trend for energy efficiency and green solutions focused on sustainability will become increasingly popular and noticeable. Currently, buildings constructed in the spirit of ESG-conscious strategies are considered more attractive and desirable by customers.

**What are other challenges that commercial real estate markets in Poland face today?**

Currently, the biggest impact on the overall real estate market is the rising prices of energy and construction materials, as well as the geopolitical situation. We are seeing a decline in developer activity. Warsaw currently has the lowest number of office buildings being built in 10 years. In 2023, the supply of new offices will amount to 75 percent of the 2022 new supply. That will limit leasing opportunities in the coming months and put upward pressure on rents. It certainly will not make it any easier for companies to return to offices after the pandemic. Perhaps rising costs and employees becoming accustomed to hybrid work will cause companies to reduce office space while adapting for the new role of the office, which has become a meeting place for project teams to integrate.

**The pandemic has subsided and organizations have begun to move their teams back to the office. According to your data, is it**

**a smooth transition for tenants or do they signal issues that your company may address?**

The pandemic has brought about huge changes. The new reality that both employers and hundreds of thousands of employees have to face has left no doubt that the return to the traditional work model is difficult. Remote or hybrid work changed the perception of the office as a workplace. Consequently, so did the expectations about the role the office is supposed to play for workers. The need to ensure comfort and a sense of safety to employees and tailor solutions to suit the organizations' needs have effectively become a priority driving the choice of the office, something we understand very well. The range of services and solutions we offer go beyond mere consultancy, transactional assistance and project management. We also focus on such office concerns as user well-being and provide assistance in spatial design, including space personalization, the development of multi-functional common areas and advise on how to use new technologies to increase the comfort and safety of work. Admittedly, we are still living in the shadow of the pandemic, but after a period focused on extensions and renegotiations of existing contracts, we have seen an uptick in the number of new leases in the past few months, especially among IT and business services companies. The war in Ukraine means that employers there have been forced to relocate their businesses. Polish consulting firms, such as ITRA Polska, focus on supporting eastern employers in relocating to offices in Poland, from choosing a location to legal assistance, to arranging the move.

**What are the plans of ITRA Global Poland in Poland for 2023 and beyond?**

We plan to continue to grow in the largest Polish cities, namely Warsaw, Kraków, Katowice, Poznań, Gdańsk and Wrocław. We are going to expand our team with new experts who are experienced in the office and warehouse markets. Our ambition is to become the first-choice consultancy for the most demanding clients who expect more than a list of available rental facilities.

**Our range of services goes beyond end-to-end consultancy. It is also focused on such aspects of their business that the post-pandemic office market must address, including the changing role of the office.**

# IN SEARCH OF SOLUTIONS



*AmCham.pl Quarterly*  
Editor Tomasz Ćwiok  
talks with Piotr Kledzik,  
Chairman of the Board  
of PORR S.A., a project  
management company  
specializing in the  
construction sector,  
about the challenges  
the sector is facing  
today.

## What can you tell us about the company's history in Poland?

PORR S.A. is part of the international PORR Group with its headquarter in Vienna. In Poland, it is one of the fastest-growing construction companies, giving it a place at the top of industry rankings. The consortium initiated its operations in Poland in the early 1990s. Since April 2017, we have been present in the Polish market as PORR S.A., following a merger of two independent operating companies: PORR Polska Construction S.A., which focused on high volume, big

projects as well as railroad construction projects, and PORR Polska Infrastructure S.A., which specialized in infrastructure, energy construction, hydrotech construction, and engineering. Thanks to this merger, PORR in Poland offers a comprehensive range of services.

## How would you characterize the company's services?

We consistently strive to keep our portfolio and order book diversified. From road and bridge infrastructure, rail, water, inland waterways, marine,

public infrastructure projects, to housing and the industrial sphere, we are already present everywhere. In fact, today it is difficult to identify an industry in which PORR does not compete. Of course, we are open to new contracts related to the current world situation in the energy sector and others. We also carry out smaller contracts. Our organization is divided into regions to compete for smaller business as well, as long as we can be competitive. The smallest ones are not our niche, as local companies are doing wonderfully with them. But already

medium-sized tenders can be difficult, requiring technology, and we excel at this.

## What makes PORR differ from the competition?

I think what differentiates us is primarily our way of thinking. We do not define ourselves as a construction company, but as a technology leader and a provider of comprehensive services in all areas of modern construction. Today, innovation is a must because the construction industry is energy intensive, accounting for 20

percent of global carbon dioxide emissions. This directly translates into climate risks.

Smart construction is the construction of the future, which should respond to people's needs. This means meeting new requirements for energy efficiency, or the environment. The main trend affecting the construction industry will be precisely the demand for energy, which is growing at a high rate. This should give us the impetus to implement technologies that will optimize processes and increase productivity, the reserves of which are still significant in the construction industry.

## What is driving the construction market today in Poland?

At the moment, the market is impacted by what constrains it more than what stimulates it. After a period of optimism about the construction industry's resilience to the negative effects of the pandemic, now we have a conflict in Ukraine. While the epidemic period passed under the banner of broken supply chains or temporary problems with the lack of labor, today our reality is dominated by inflation, rising material costs and updating contracts vis-a-vis growing costs.

A significant challenge for the construction industry has been the unprecedented increase in the price of construction materials. Currently, this process has slowed down, and there are some reverse trends, although price levels are still high compared to 2021. Our analysis of current trends indicates that this is linked to reduced market demand, among other aspects. The slowdown in the residential construction sector and delays in issuing permits for road infrastructure have led to a greater availability of materials and workforce. However, such a situation cannot be considered sustainable. We are already forecasting larger declines in orders in the fourth quarter for 2022. The prices of building materials, which continue to be high, are largely dependent on such cost drivers as gas, oil, and other energy supplies and also depend on exchange rates. These are all factors that shape the situation of the construction industry.

## What is the impact of the rising energy costs on the market?

The issue of the fast rising prices of energy and building materials has not only made cost estimates for ongoing investments obsolete, but has also sparked a global discussion about the need for quick and effective action and the consequences of failing to do so. The market of ordering parties is not homogeneous. It comprises a range of entities from state-owned companies to local government units to private investors. Working out a single solution is not possible, but building consensus around the problem and the will to solve it is feasible.

For several months, the industry has been in a dialogue with the public about indexation. We can already see the first effects, among others, in the form of annexes to contracts concluded in road investments, making the terms of contract execution more realistic. As an entire industry, we are convinced that extrapolating these solutions to other contracts, including railroads, among others, is only a matter of time.

## How does PORR perceive the role of technology, Industry 4.0 solutions and other "intelligent solutions" in delivering value to its clients and growing its business?

Our corporate credo is: smart building connects. We have a very strong focus on innovation. Contrary to the common belief, it is not so difficult. With regard to energy, which is so expensive today, we have very efficient technologies that are available today in all areas of design. According to industry analysis, the rapid development of lighting, cooling and high-efficiency appliances alone could save the equivalent of nearly three-quarters of the world's current energy demand between now and 2030. Another issue involves building new facilities in such a way that their carbon balance is zero and their water consumption balance is positive.

The construction industry is energy-intensive. That is why we are also facing the problem of decarbonization. I believe that the last two years were only a catalyst for processes that are in-

evitable anyway. Significant technological transformations await us, including green technologies, the use of renewable energy in construction, and Building Information Modes, the so-called BIM, which will not only enable a more efficient approach to design, but also to the implementation of the construction and subsequent management of the building at the use stage. Then there is the growing automation and 3D visualization competencies used for early collision detection, and the generation of bills of materials and monitoring construction status. These are solutions that directly improve the efficiency of the construction industry and reduce emissions. These innovations will translate into competitiveness. Of course, the ESG (Environmental, Social, Governance) aspects and the resulting circular economy are also becoming an important issue for the construction sector.

## What can you tell us about PORR's corporate culture?

I believe that each company is, first of all, people. It is their passion and commitment. Humans are at the center of our attention. At the same time, we place a strong emphasis on values, such as cooperation, respect, pioneering, and reliability. This is the DNA of our corporate culture. Because of the labor market situation, we are also becoming multicultural. Consequently, we are consciously introducing solutions that, on the one hand, allow foreigners to maintain their own identity while at least partially assimilating with Poles. This is very important and has a direct impact on work efficiency.

## What are the key challenges for the construction industry in Poland today?

The condition of the construction industry is a barometer of the state of any economy. In absolute terms, in Poland, the construction sector generates an estimated 11-12 percent of the annual revenue of the public finance sector. Therefore, it is crucial for the industry to acquire more projects financed by public investment programs, especially those related to EU funding. They are the best guarantee for the further development of the

construction industry in Poland, especially in the field of rail and road construction.

The key today is to have a strategy based on a realistic assessment of risks and effective management of those risks. My personal ranking of critical factors that will shape the future of the Polish construction industry includes such criteria as rising labor costs, material costs, adaptation of valorization limits, ensuring continued high levels of investment with adequate liquidity, lack of land use plans and low availability of investment sites, and rapid transformation of construction to sustainable development. These are key challenges for the next few years.

**"It is crucial for the construction industry to acquire more projects financed by public investment programs, especially those related to EU funding as they are the best guarantee for the further development of the industry in Poland, especially in the field of rail and road construction."**

**AMCHAM EVENTS**

IN SEPTEMBER, AMCHAM GDAŃSK AND BOEING HOSTED US AMBASSADOR TO POLAND MARK BRZEZINSKI FOR A BREAKFAST TO DISCUSS ISSUES PARTAKING TO THE POLAND-US STRATEGIC PARTNERSHIP INCLUDING DEFENSE AND SECURITY, ENERGY, BUSINESS AND DEMOCRATIC INSTITUTIONS.

1. RAFAŁ STEPŃOWSKI, AMCHAM BOARD MEMBER (BOEING POLSKA); BARBARA STEPŃOWSKA, AMCHAM GDAŃSK DIRECTOR (GDAŃSK UNIVERSITY OF TECHNOLOGY); WOJCIECH POLUDNIEWSKI, VOLUMETRIC BUILDING COMPANIES; CLAIRE JAROSZ, BOEING; MARK BRZEZINSKI. 2. THE RECEPTION IN PROGRESS.



WARSAW MAYOR RAFAŁ TRZASKOWSKI WAS THE GUEST SPEAKER AT THE AMCHAM SEPTEMBER MONTHLY MEETING. THE EVENT WAS DEVOTED TO DISCUSSING THE INVESTMENT CLIMATE AND OPPORTUNITIES FOR FOREIGN INVESTORS IN POLAND'S CAPITAL CITY.

1. RAFAŁ TRZASKOWSKI. 2. TONY HOUSH, AMCHAM CHAIRMAN (NORTHROP GRUMMAN). 3. THE MEETING IN PROGRESS.



IN SEPTEMBER, AMCHAM KRAKÓW AND KATOWICE HELD ITS BACK TO BUSINESS MIXER. AMONG THE GUESTS WAS ERIN NICKERSON, THE NEWLY-APPOINTED CONSUL GENERAL AT THE US CONSULATE GENERAL IN KRAKÓW. THE VENUE WAS THE LEONARDO BOUTIQUE HOTEL KRAKOW OLD TOWN.

1. ERIN NICKERSON. 2. RAFAŁ PIEPRZYK, EMIL SOŚNICKI, CANPACK; MATEUSZ JURCZYK, AMCHAM KRAKÓW & KATOWICE DIRECTOR; MAREK WYPYCH, W. L. GORE. 3. RAFAŁ SEKOWSKI, ANNA ŻEMŁA, GE HEALTHCARE; JAROSŁAW MAŚLANKA, PEGASYSTEMS.



ILINCA POPESCU FROM STEELCASE PRESENTED NEW CONCEPTS FOR HYBRID OFFICES AT THE AMCHAM KRAKÓW BUSINESS BREAKFAST, IN SEPTEMBER. THE VENUE WAS CISCO'S OFFICE IN KRAKÓW.

1. ILINCA POPESCU. 2. DOROTA BŁASCHKE, CISCO. 3. THE STEELCASE AND CISCO TEAMS WITH MATEUSZ JURCZYK, AMCHAM KRAKÓW & KATOWICE DIRECTOR (CENTER).



IN SEPTEMBER, AMCHAM AND THE CENTER FOR TECHNOLOGY TRANSFERS OF CRACOW UNIVERSITY OF TECHNOLOGY (CUT) JOINED FORCES TO HOLD A DAY-LONG CONFERENCE ENTITLED PARTNERSHIP FOR INNOVATION. AMONG THE SPEAKERS WERE PROF. ANDRZEJ BIAKIEWICZ, CUT RECTOR; PROF. DARIUSZ BOGDAŁ, CUT VICE-RECTOR; AND ERION KRUIJA FROM THE US CONSULATE GENERAL IN KRAKÓW.

1. DOMINIK KANIA, WOODWARD; MATEUSZ JURCZYK, AMCHAM KRAKÓW & KATOWICE DIRECTOR; JACEK KASZ, CUT CENTER FOR TECHNOLOGY TRANSFERS; PROF. JERZY ŚLADEK, CUT. 2. JACEK KASZ; ERION KRUIJA; PROF. DARIUSZ BOGDAŁ; MATEUSZ JURCZYK. 3. MATEUSZ JURCZYK, PROF. JERZY ŚLADEK.



IN SEPTEMBER, AMCHAM AND CROWNE PLAZA WARSAW-HUB HOTEL, JOINED FORCES TO THROUGH THE BACK TO BUSINESS MIXER.

1. MARIUSZ ROGYSKI, SALES DIRECTOR, CRAWNE PLAZA. 2. THE MIXER IS ABOUT TO START.



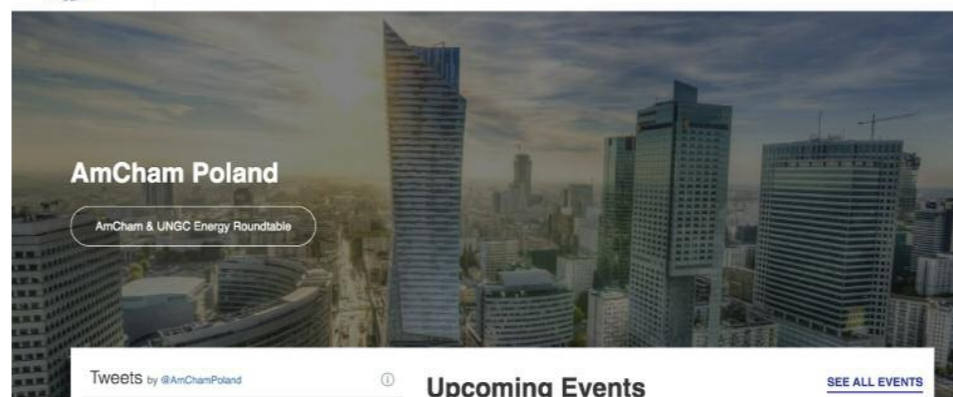
IN OCTOBER, AMCHAM HOSTED AN EXCLUSIVE MEETING WITH PRESIDENT OF McLARTY ASSOCIATES' LEE FEINSTEIN, FORMER US AMBASSADOR TO POLAND. THE ROUNDTABLE DISCUSSION WITH REPRESENTATIVES OF AMCHAM BOARD AND ADVISORY COUNCIL MEMBERS CHAIRED BY TONY HOUSH FOCUSED ON THE STATE OF TRANSATLANTIC RELATIONS IN THE CONTEXT OF THE

UKRAINE WAR, AS WELL AS ON THE US DOMESTIC POLITICAL SITUATION ONE MONTH PRIOR TO THE MIDTERMS.

1. LEE FEINSTEIN. 2. MEMBERS OF THE AMCHAM ADVISORY BOARD AND ADVISORY COUNCIL, AND AMCHAM STAFF MEMBERS WITH LEE FEINSTEIN.



**CHECK OUT THE AMCHAM.PL WEBSITE!**



**The ultimate source of information about AmCham and its Members.**



**AMCHAM EVENTS**

OVER 150 AMCHAM MEMBERS GATHERED AT THE PANORAMA SKY BAR ON THE 40<sup>TH</sup> FLOOR OF THE WARSAW MARRIOTT HOTEL FOR THE AMCHAM AUTUMN BUSINESS MIXER TO CELEBRATE THE REBRANDING OF AMCHAM MEMBER COMPANY JAS WORLDWIDE. THE COMPANY WAS REPRESENTED BY FRANÇOIS-XAVIER MOLLET, VICE-PRESIDENT OF SALES AND MARKETING FOR

EMEA, WHO OUTLINED THE COMPANY'S MISSION AND GOALS; MIKAEL FORSBERG, CEO NORDICS & BALTIC REGION; ARKADIUSZ PREJNA, MANAGING DIRECTOR AND EWA OSOWSKA, SALES MANAGER. 1. FRANÇOIS-XAVIER MOLLET. 2. MAREK MATRASZEK, CEC GROUP; TONY HOUSH, AMCHAM CHAIRMAN (NORTHROP GRUMMAN). 3. THE MIXER IN PROGRESS.



IN OCTOBER, AMCHAM HELD AN EXCLUSIVE BREAKFAST MEETING WITH ASSISTANT SECRETARY OF COMMERCE, ARUN VENKATARAMAN, TO DISCUSS THE TOPICS WHICH REMAIN A PRIORITY FOR AMCHAM MEMBER COMPANIES: ENERGY, INFRASTRUCTURE, INVESTMENTS, CYBER SECURITY, INNO-

VATION, NEED FOR REGULATORY STABILITY, NATIONAL RECOVERY PLAN, AND THE US-EU TRADE AND TECHNOLOGY COUNCIL AND US-EU COOPERATION. 1. ARUN VENKATARAMAN; TONY HOUSH, AMCHAM CHAIRMAN (NORTHROP GRUMMAN). 2. ALL MEETING PARTICIPANTS.



IN OCTOBER, THE AMCHAM INDUSTRY COMMITTEE AND THE AMCHAM SUSTAINABILITY COMMITTEE TOGETHER WITH AMCHAM WROCLAW HELD A MEETING ENTITLED: "HOW MANUFACTURING COMPANIES CAN PUSH ENERGY EFFICIENCY AND OPTIMIZE ITS BUSINESS THROUGH DIGITALIZATION." THE VENUE WAS 3M'S SUPERHUB IN WROCLAW.

IN PICTURE: DISCUSSION PANEL WITH MODERATOR EWA MIKOS-ROMANOWICZ (CO-CHAIR OF AMCHAM INDUSTRY COMMITTEE), MACIEJ ZIELIŃSKI, SIEMENS; MARCIN SZYBIAK, WHIRLPOOL; ROMAN SITKO, MONDELÉZ INTERNATIONAL; DOMINIKA KAWALA, 3M.



MORE THAN 100 AMCHAM MEMBERS ATTENDED THE AMCHAM MONTHLY MEETING IN NOVEMBER WITH GUEST SPEAKER SECRETARY OF STATE JANUSZ CIESZYŃSKI, GOVERNMENT PLENIPOTENTIARY FOR CYBER SECURITY AT THE OFFICE OF THE PRIME MINISTER, WHO EXPLAINED GOVERNMENT POLICIES TO SAFEGUARD HIGH CYBERSECURITY STANDARDS AND KEEP

THE MARKET ATTRACTIVE TO INVESTORS. THE MEETING'S MODERATOR WAS TONY HOUSH, AMCHAM CHAIRMAN (NORTHROP GRUMMAN). THE VENUE WAS THE WARSAW MARRIOTT HOTEL. 1. TONY HOUSH; JANUSZ CIESZYŃSKI. 2. THE MEETING IN PROGRESS.



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For the most recent information about the AmCham Committees and upcoming events visit

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# AMERICAN CHAMBER OF COMMERCE IN POLAND

*SINCE 1990*



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