



INVESTING IN POLAND 2008
Major Polish cities

PAI
AIZ

PRICEWATERHOUSECOOPERS

City/town: Łódź

Location: Central Poland

Province: Łódzkie (Łódź)

General data

Address	Street: Piotrkowska	Number: 104	Postal code: 90-926	City/town: Łódź
Telephone numbers:	+48 42 638 40 00	+48 42 638 47 00	+48 42 638 44 37	+48 42 638 59 39
Website: www.uml.lodz.pl		E-mail: uml@uml.lodz.pl, prp@uml.lodz.pl		

Data on the city/town

GDP	EUR 7 928 per capita (2005)*			
Rating	Fitch	Moody's	Jones Lang LaSalle	Standard&Poor's
				BBB Stable
Number of residents in city/town	760 300 (31.12.2006)			
Number of residents in province	2 562 975 (31.03.2007)			
Number of residents in the province aged 18-44	951 120 (31.12.2005)			
Key industries	Trade and repairs, real estate management, industry, construction, transport, warehouse management and telecommunications			

Infrastructure

Airways	Transport of passengers (by quantity)	Transport of goods	Number of connections		Number of flights (total)
			international	domestic	
	122 216 (31.05.2007)	Depending on demand	6 + 2 charter destinations	1	1 150 standard flights
Roads	Motorways (in km)		Dual carriageways (in km)		Ring roads
	76km existing motorways 199km motorways planned to be constructed in the years 2010/11 275km in total		344km of planned dual carriageways (S8, S12, S14, S74)		3 existing (Piotrków Tryb., Kutno, Rawa Mazowiecka) 5 planned by 2010 5 planned by 2015 13 ring roads around towns/cities constituting part of the national roads in total
Railways	Number of direct express connections with the largest European cities		Number of direct express connections with the largest Polish cities		

	From the Łódź province: 5 connections: Kutno station destination: Berlin, Brussels, Moscow, Minsk, Kiev	Currently the line is being modernized to 160km/h on the route Łódź-Warsaw. Travel time to be decreased to 65 min. Planned construction of high speed railways on the routes: Warsaw-Łódź- Wrocław/Poznań (2008-2012). 3 existing connections within the province: Kutno-Poznań, Szczecin/Wrocław.
Technical	Maximum available capacity of Internet connections:	Number of Hotspots
	100MB	

Population / Labour Market

Status and age of population in particular age groups (by quantity and in percentages)	18-24	24-35	35-45	45 +	
	72 900 9.5%	119 500 15.6%	89 000 11.6%	365 700 47.6%	
Unemployment rate – city/town	12% (31.03.2007)				
Unemployment rate – powiat	As above				
Unemployment rate – province	13.1% (31.05.2007)				
Unemployment by age /gender	18-24	24-35	35-45	45 +	
Women	2 124	5 160	3 940	8 667	
Men	1 789	3 926	3 254	10 403	
Cost of labour	Accountant	IT specialist	White collar	Blue collar	Manager
Average remuneration (EUR)	EUR 533 – 1333 per month	EUR 587 – 1867 per month	EUR 400 – 933 per month	EUR 347 – 533 per month	EUR 1067– 5333 per month

Education

Number of students (total)	116 200 (12.2006)				
Percentage of people with university level education	14.6% as at the date of the census in 2002				
Number of university-level school graduates (total)	22 608 (12.2006)				
Number of university-level schools	21				
Key university-level schools	Uniwersytet Łódzki, Politechnika Łódzka, Wyższa Szkoła Humanistyczno-Ekonomiczna, Społeczna Wyższa Szkoła Przedsiębiorczości i Zarządzania, Uniwersytet Medyczny, Państwowa Wyższa Szkoła Filmowa, Telewizyjna i Teatralna.				
Most popular studies	Business and administration	Humanistic studies/art	Engineering and technical	IT	Pedagogical
Number of students for most popular studies	32 215	12 713	12 319	10 701	9 843
Average number of graduates of accounting and financial studies	2002	2004	2005	2006	2007
	982	1058		798	
Knowledge of foreign languages	English		German	French	Spanish
Among residents in city/town (%)	n.a.		n.a.	n.a.	n.a.
Among students (%) (30.06.2007)	96%		60%	18%	11%

Investments			
Largest employers in the region	Name	Industry	Country of origin
	BOT Górnictwo i Energetyka S.A. GK	energy	Poland
	Polska Grupa Farmaceutyczna S.A. GK	pharmaceutical	Poland
	Rossmann Supermarkety sp. z o.o.	Trade	Germany
	MPK – Łódź Sp. z o.o.	Communication	Poland
Number of business entities in the region	238 307 (31.05.2007), in Łódź 93 800 (31.03.2007)		
Number of business entities with participation of foreign capital	118 in Łódź – investments exceeding USD 1 M		
Number of enterprises in the region ranking among the 500 largest in Poland according to "Rzeczpospolita"	22		
Investor incentives e.g. investment relief	<p>Regional aid programme for the city of Łódź supporting new manufacturing investments and creating related jobs</p> <p>Regional aid programme for the city of Łódź supporting new large investments and creating related jobs</p> <p>Regional aid programme for the city of Łódź supporting new investments and creating related jobs using modern technologies</p> <p>De minimis aid programme for the city of Łódź supporting investments in new hotels and the modernization of existing ones</p>		
Special Economic Zones in the city and region (please provide names)	Łódzka Specjalna Strefa Ekonomiczna (Łódź Special Economic Zone), of a dispersed nature		
Shared Service Centres	Accounting	R&D	Other (call centres , administration)
	Phillips	Bosh Siemens Hausgerate	mBank, Multibank
	Indesit	ABB	Nordea
	GE Power controls	Slavia Consulting	Polkomtel
	Ceri	Tele Atlas	Era
	CitiFinancial	Barry Callebaut	Ericpol
Number of foreign investments in the years 1995-2005	118 in Łódź – investments exceeding USD 1 M		
Key foreign investors	Name	Industry	Country of origin
	Indesit Company Polska Sp. z o.o	household goods	Italy
	Gillette Poland S.A	cosmetics	USA
	Apsys Polska Sp. z o.o.	trade and services	France
	ABB Elta Sp. z o.o.	electric	Sweden
	BSH Sprzęt Gospodarstwa Domowego Sp. z o.o.	household goods	Germany

	Hutchinson Poland Sp. z o.o.	automotive	France
	Amcor Rentsch	packaging	Australia

Real estate market

Areas covered by the Spatial Development Plan (%)	15%		
Undeveloped areas administered by the municipality (%)	n.a.		
Price of 1m ² of usable floor space in a housing building commissioned for use	EUR 1450 – 1730		
Available office space in m ²	Class A	Currently	Planned by 2008
		26 000m ²	90 000m ²
	Class B	80 000m ²	35 000m ²

Leisure

Sports facilities	<p>Multifunctional Sports Hall MOSiR Łódzki Klub Sportowy Stadium Widzew Łódź Stadium Stadium Budowlanych Łódź Multifunctional Sports Facility "Karpacka"</p> <p>Under construction/planned: New events and sports hall (under construction – to be completed in 2009) New municipal stadium with 35,000 seats (year of completion – no later than 2012)</p>					
Leisure facilities	Golf courses	Aquaparks	Ski slopes	Tennis courts	Windsurfing	Other (specify)
	Golf course in Wola Błędowa 15km from the centre of Łódź. Additionally plans for 2 new golf courses in the close vicinity of Łódź are being prepared	At the end of 2007 the opening of the largest Aquapark in Poland is planned with an area of 2 000m ² of water	The longest ski slope in Central Poland is in Kamięnsk 60km from Łódź (2 ski lifts). 2 lifts "na Malince" 15km from the centre of Łódź.	6 tennis clubs. A very large number of tennis courts.	The Sulejów artificial lake– 50km from the centre of Łódź to the south; Jeziorsko artificial lake 50km from the centre of Łódź to the west	Many pools (both under roof and open-air); 4 places for bathing ; 2 skate rinks, 1 open air skate rink; 4 squash facilities; many fitness clubs and gyms; several riding clubs; billiard clubs; 3 climbing walls; 2 skateparks; 3 bowling alleys; an aeroclub; shooting ranges; dancing classes; martial arts schools

Give the city's/ town's strengths and weaknesses

Strengths	Weaknesses
Availability of skilled staff	Low population growth
Location in the very centre of Poland and Europe at the intersection of key European routes	External communication infrastructure
Strong academic, research and education centre	Accommodation base
Maximum limit of aid in Poland – up to 70% of investment expenditure, a wide package of reliefs and exemptions from local taxes, and in the area of Special Economic Zone	Migration of young educated people to other Polish towns and abroad

Competitive costs of engaging in business activities	
Professional servicing of investors by a dedicated Guardian	
Wł. Reymont International Airport with a constantly increasing number of new connections	
Uniqueness of the City (multicultural, film city, revitalized postindustrial properties – Manufaktura (Manufacture), lofts, Sztuki Świata (World Arts))	

Description:

Łódź is the third largest Polish city in terms of population. It has had strong connections with the textile industry for more than two hundred years. Recently, the role of this industry has changed drastically. New industries are developing in Łódź which were not previously connected with the city, among others, household goods manufacture, business back office centres (accounting and accounting, call centres etc.), electronics industry and logistics.

On 11 April 2007 the Łódź City Council, in its resolution No. IX/0155/07, accepted a new programme for realization entitled "Development strategy of the Łódź cluster for the years 2007 - 2015", which is aimed at increasing the growth potential of Łódź based, among other things, on the following sectors: Business Process Offshoring, IT, AGD and logistics.

Łódź has many assets which are material to investors. The main ones are:

- a) Availability of skilled staff;
- b) Location in the very centre of Poland and Europe, at the intersection of main European routes;
- c) Competitive costs of business activities (both labour and real estate costs);
- d) Investment incentives – a wide package of exemptions from real estate tax;
- e) Wł. Reymont airport with a constantly developing network of new connections;
- f) City brand and its unique climate.

Taking the above assets, the many new initiatives and proactive actions taken by the City in respect of winning and servicing investors into consideration, we are observing increased interest in Łódź as a place for growth or for locating investments. In recent months Łódź has hosted such events as: opening the Centre for Research and Development of Driers and a Centre for IT Services of Bosch-Siemens, the official start of business activities by TeleAtlas, Transition Technologies S.A. and the development of Ericpol Telecom.

The fact that Łódź avails itself of the chances offered has been noted not only by international concerns, but also by rating and consulting agencies. Last year Standard & Poor's issued a positive opinion on the city, once again increasing its business rating to BBB with a stable outlook. In the opinion of Polska Agencja Informacji i Inwestycji Zagranicznych: "Łódź has become active and is fighting for its good name".

Łódź ensures comprehensive support for investors. From the very beginning the investor is serviced by a qualified Guardian supported by the highest level officials of the Łódź Municipal Authorities. The Investor's Guardian starts by presenting the available information on specific possibilities as: opening the real estate and sources of recruitment. Further cooperation consists of gaining a detailed understanding of the investor's requirements and granting comprehensive support in finding appropriate property with specific infrastructure and the best employees. The Guardian also prepares an attractive incentives package for the investor and helps them to obtain all the necessary permits. Businessmen's children have not been forgotten; they may continue their education in Polish or foreign schools.

In Łódź many revitalization projects have been carried out, especially those connected with transforming post-industrial facilities to perform new functions. Key achievements in this area comprise:

- Opening a cultural, leisure and trade centre (Manufaktura) in May 2006 in the former Poznański factory. The French investor's project will be continued in the following years (museums and a hotel and conference centre will be formed). On an area of 160 000m² multiple shops, restaurants, galleries, children's play centres and leisure centres can be found.
- Adaptations for educational purposes of post-industrial facilities in the complex of the Łódź Polytechnic.
- Adaptations of post-industrial facilities carried out by the Humanistic and Economic High School in the region of ul. Rewolucji 1905 r.

Łódź has been the host of international fairs for years. In the modern exhibition and fairs centre "Łódź Expo" the following fairs have taken place, among other events: Intertelecom (telecommunications fair), CEDE (dentistry fair) and Interbud (construction fair).

Łódź is not only experiencing an economic but also a cultural boom. The number of festivals taking place in the city has increased and those which are a permanent part of the Łódź landscape include the The International Film Festival of the Art of Cinematography (Międzynarodowy Festiwal Sztuki Autorów Zdjęć Filmowych) "Camerimage" or the Festival of Dialogue between Four Cultures (Festiwal Dialogu Czterech Kultur). These bring together guests from all around the world.

Łódź has also started realizing the "construction of the new City Centre" project in the vicinity of the Łódź Fabryczna railway station, on an area of ca. 90 ha. The first stage will comprise the revitalization of the former EC-1 heating plant and its adaptation for cultural and art purposes (a meeting place for artists from all around the world where both laymen and connoisseurs of film, theatre, art and photographic culture will find something to interest them). One of the partners in the project is the "World Art" ("Sztuki Świata") Foundation, founded by the American film director David Lynch and the organizers of the Camerimage Festival – Marek Żydowic and Andrzej Walczak.

The activities which are being undertaken have become the basis for Łódź applying for the status of "European Capital of Culture 2016".

Full name and signature of person providing information on behalf of the Municipality: Urszula Karczemska	Date: 25.07.2007

** - Central Statistical Office, National Bank of Poland*

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