

**COMPANIES WITH FOREIGN
PARTICIPATION
IN THEIR LOCAL ENVIRONMENT**

A Study

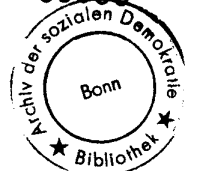
Summary of a survey of opinions
of foreign investors and local representatives
carried out by
Centrum Badań Marketingowych INDICATOR

on commission from
**the Friedrich Ebert Foundation
Warsaw Office**

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Companies with foreign participation in their local environment

Poland's sweeping political and economic transformation has brought to life new political and economic entities. The previous dogma about the special role of state and government in the control of economic processes was challenged. As liberal economic reform progresses that role is being taken over by concrete institutions and organisations, local and regional communities, occupational groups and communities, and also by individuals with the resources and powers that kind of activity calls for. All that has been boosting the significance of private enterprise, and within it, of foreign investors.

The pace and effects of economic reform is largely determined by local social environment in which firms operate, which shows especially in the way companies with foreign participation work. Conventional wisdom on that sways between two extreme positions: taking notice above all of state policies that restrict companies' work, or the belief that the most important and all-decisive factors are to be found in the respective local environment.

It was with a view to checking such and similar common opinions that the Friedrich Ebert Foundation Warsaw Office resolved to order an opinion survey on activities of companies with foreign participation in their respective local environment. The Warsaw-based Marketing Research Centre INDICATOR, which got the order, carried out the survey in June 1995.

The study was conducted in 106 gminas, which are local communes in Poland. The gminas were picked from regions and voivodships (provinces) at different levels of social and economic development and with different conditions of work granted to foreign investors. In each gmina interviews were conducted with a person representing the local authorities and with managers of two companies with foreign participation (hereafter briefly referred to as foreign companies). Both groups of respondents were asked to answer the same queries, each concerning conditions and consequences of foreign companies' work to their local environment. The replies obtained enabled the study authors to produce an image of the companies from the point of view of

managers and of local leaders. The Friedrich Ebert Foundation and the State Foreign Investment Agency (PAIZ) are about to publish a full-scale report on the results of the project called *Companies with Foreign Participation in Their Local Environment. A Study of Local Conditions of Their Work.*

Companies' choice of location

The first part of the study was about reasons for which foreign companies resolved to settle where they did. The knowledge Polish students of this question had before the study was intuitive and fragmented, to say the least. Such intelligence has never been collected or utilised on a regular basis in Poland. Anyone seeking to do some promotional work on behalf of Poland will have noticed that virtually no books are available that would present this country in a convincing and attractive-looking manner in its macroregional, regional and local dimensions.

Needless to say, that has had bad effects which show very clearly in the polled foreign investors' replies. It follows that foreign companies chose their locations first of all as a result of the Polish partner's link with the region. Approximately 36.4% of all those polled named this kind of personal connection. It should be observed, however, that this factor is independent of whatever decisions or promotional actions local authorities or any public institutions may make. The gmina representatives, on the other hand, named this factor much less frequently (24.5%).

The survey also revealed information on the effect a foreign partner's link with the region had on the company's location choice. Positive effects in this respect were named by 23.1% of foreign investors and 28.3% of local representatives. A locality's favourable image appears among factors conducive to choosing locations. Some investors (4.2%) mentioned positive experiences of smaller companies in the region as a factor that induced them to localise their Polish undertakings there (Tables 1 and 2).

Asked what factors are likely to discourage foreign investors to get their companies localised in any place foreign investors named various kinds of

local barriers to business activity. Asked to indicate the reasons for that, a good one half of those polled (58.5%) attributed that to the weakness of the local market infrastructure (banks, communications) which badly needed refurbishing. Quite a few (41.5%) such opinions were expressed by local representatives. Another kind of restrictions are of economic nature, either referring to the population's poor buying power (46.7%) or local markets' small size (35.4%). One in four investors (25.9%) named the lack of skilled workers capable of living up to new technological and organisational requirements and guaranteeing high quality of products and services rendered.

The above barriers were objective, and as such often far outside local authorities' reach. However, the poll disclosed that subjective obstacles were at play too. In one in seven gminas (15.1%) managers complained about local authorities' unfriendly attitude towards foreign investors, and in one in eight about the local population's unfriendly attitude towards them (Tables 3 and 4).

The polled managers generally were very critical of local authorities' actions to win foreign investors for their localities. It was found during the survey that more than one half of all gminas never even did anything to that end. In one in three (32.1%) foreign investors said local authorities did little, if anything, while in one in five (22.6%) foreign investors noticed no such actions at all. In those gminas, then, foreign companies made their location decisions with local authorities becoming involved nowhere in the process. In other gminas, local authorities prepared promotional materials (bulletins, advertising leaflets, info books) or staged fairs and meetings with foreign investors. Only 5.7% of company managers replied local authorities had presented them with concrete proposals and co-operation offers or proposals to lease land or real estate (Tables 5 and 6).

How efficient the location mechanism at work in foreign companies has been can be measured in terms of managers' degree of satisfaction with the chosen local environment. Such an appraisal was made in the course of the poll, producing by and large positive results, because only 9% of foreign investors described their location decisions as mistakes.

Promoting local communities as foreign investment locations

Promotion of Poland as a promising foreign investment venue is widely believed to be poor. The survey bore out that opinion. What foreign managers said spontaneously in reply to the open-ended query, *From which sources did you get your knowledge deciding to localise your business in this region?*, showed those were mostly a person or Polish firm that was the company's partner (indicated by 42.9% of surveyed people); personal contacts (34.0%); sporadic contacts with Polish firms and institutions (25.9%), or other foreign managers (21.7%). Only one in six managers named sources organised specifically for promotion work: bids, folders, info books prepared by local authorities (15.1%), Western press publishers (7.5%), or Western radio or television (6.6%), cf. Tables 7 and 8.

Despite this kind of faulty promotion work, a clear majority of the surveyed managers (63.2%) rated positively their knowledge of their respective local environment at the time of setting up their companies and starting business. The others expressed more critical opinions about their knowledge. Local representatives, however, took an entirely different approach. Two in three gave negative assessments of their local environment, and only one in three was positive on that matter (Tables 9 and 10).

The above result seem to vindicate calls for active promotion work on behalf of regions and local communities in order to attract foreign investment to Poland. The first thing to do in this connection is to design a strategy of promotion work, describing its aims and directions as well as means and forms in adjustment to local requirements and foreign recipients' expectations.

Difficult start

The survey revealed the many difficulties foreign investors face in their early stage of work. Things seem to be the worst for them at the time they are preparing the right technical and organisational conditions for starting their businesses (indicated by 39.6% of managers) and when employees are being recruited and taken on (39.2%). One in three (34.4%) of the surveyed people

have trouble preparing the right kind of documentation and getting their companies registered officially, compared with 17.5% facing difficulties with getting local authorities to approve starting new business firms. Difficulties of a different kind are faced in the process of looking for business partners for co-operation, joint acquisition or distribution undertakings (17.9%). This last kind of difficulties is named much more frequently by local representatives (54.7%), cf. Tables 11 and 12.

The survey findings seem to indicate that only some foreign investors are getting help in overcoming the above-mentioned obstacles. Who are the beneficiaries, and which institutions, local organisations or individuals are rushing to help? The surveyed managers most often named local authorities (43.9%) or gmina officers (30.2%). Foreign companies are also getting help from their local business environment: Polish business representatives (21.7%), managers in state enterprises (19.3%), as well as other foreign companies (17.0%). Other suppliers of assistance included higher-than-local organisations, with 25.9% of those surveyed naming government agencies (State Foreign Investment Agency, Polish Regional Development Agency), and 20.8% business organisations (business clubs, industrialist societies etc.).

Local representatives took a much more optimistic view of the assistance given to foreign investors, with 89.6% of them mentioning the help they themselves had supplied and another 77.4% saying gmina officers had. Nearly one in two (61.3%) mentioned help given by business organisations, 47.2% by Polish business representatives, and 36.8% by state enterprises (Tables 13 and 14).

What companies missed most in their local environment

In this connection, the first question concerned the different kinds of business services companies missed most. The list of shortages managers named shows a few important items. The shortage most companies felt was the worst in local communities was that of firms supplying information about potential business partners (named by 56.6% of those surveyed) and information about the Polish economy at large (43.9%) and the local environment in particular (41.0%).

Foreign managers moreover complained about inadequate information about companies offering business services (37.7%), difficulties in getting in touch with consulting firms (36.8%) and advertising firms (26.4%). A few managers (0.9%) named the unavailability of legal services. Interestingly, foreign managers and local representatives agreed in their respective assessments of shortages in local business services (Tables 15 and 16).

The surveyed respondents were asked to say what they thought about the quality of communications in their local environment. Foreign managers mostly complained about the quality of trunk calls (46.2%) and local telephone connections (44.5%). International calls were given negative assessments by 28.3%, fax connections by 22.6%, of those surveyed. Local representatives were less aware of poor communications services, with international calls and local telephone calls each getting negative ratings in 28.3% of studied gminas, international telephone calls in 17.9%, and fax connections in 13.2% of gminas on the survey.

Relations with local authorities

The survey disclosed that foreign companies faced barriers in trying to get local offices to do different things. Foreign managers and local representatives were very much in agreement there. Both the ones and the others most frequently named two obstacles: obscure regulations (named by 59.9% managers and 58.5% representatives); and difficulties in foreign companies' co-operation with tax offices (43.4% managers and 34.9% representatives, respectively). The convergence of opinions of both groups is indicative of tension arising over gaps and ambiguities in regulations concerning powers and functions of central and local government bodies, which implies that the relevant regulations concerning the functioning of companies with foreign participation need to be rewritten.

A call for improving the law and ensuring stable rules of functioning of foreign companies in Poland found strong expression in managers' proposals for improving co-operation with local authorities. Most foreign managers (60.8%) called for simplifying official procedures and cutting red tape in local

offices, which, in their opinions, called for fresh legal regulations. It should be pointed out that also a majority of local representatives (53.8%) voiced calls for simplifying procedures and cutting red tape in gmina offices handling matters of foreign companies (Tables 19 and 20).

Quite a few foreign investors (23.6%) criticised the great liberty local authorities took advantage of in applying the law. They called in particular for scrapping those restrictions on foreign companies' operations that did not follow from the binding regulations or central government decisions. That demand was put forward by 17.0% of the surveyed local representatives.

Benefits prevail

Nearly all foreign managers (96.7%) said in the work of foreign companies benefits outweighed hazards to local communities. A vast majority of local representatives (88.7%) subscribed to that view.

Both managers and representatives the benefits involved more jobs (88.7% managers and 85.8% representatives); economic invigoration of the local environment (87.3% managers and 86.8% representatives); introducing new technology (86.3% managers and 79.2% representatives);, and expanding contacts with foreign partners (85.3% managers and 88.7% representatives), cf. Tables 21 and 22.

Most foreign managers (59.9%) held their activities created now hazard to their local environment. Fewer local representatives thought so (45.3%). What they mentioned in most cases was the inflow of "dirty technology" (21.7%) and imports of waste material into Poland (19.8%), as well as bankruptcies of local enterprises as a result of competition from foreign companies (17.0%). Among foreign managers, 15.1% mentioned the last-named hazard too.

Both groups believed foreign investors drew many benefits from their work in their local communities. Above all they were said to get encouraging prospects for development (77.4% representatives and 69.3% managers); cheap labour (80.2% representatives and 56.6% managers); substantial profits

(51.9% representatives and 27.8 managers); and easy marketing of goods (47.2% representatives and 25.5% managers).

The prevalence of benefits over hazards generated by foreign companies in their local environment was probably the main reason for the generally optimistic view of their future in Poland. Optimistic opinions were voiced by 73.1% of the surveyed foreign investors and 74.6% of local representatives.

Table 1. Ranking scale of factors determining companies' location choice, in the order of frequency of naming them as very important (in %) FOREIGN INVESTORS' OPINIONS (N=212)

Place on ranking scale	Factor	Factor marking				
		great importance	moderate importance	little importance	no importance	total
1	Polish partner's link with region	36.3	17.5	21.2	25.0	100.0
2	Good situation & transit connections	29.2	31.1	19.3	20.3	100.0
3	Large supply of cheap labour	25.9	29.7	19.8	24.5	100.0
4	Opportunities to take over free production halls, stores or office space etc.	24.5	32.1	14.6	28.8	100.0
5	Foreign partner's links with region (origin, previous contacts)	23.1	19.3	17.5	40.1	100.0
6	Opportunities to find new markets (closeness to border)	22.6	24.5	17.5	35.4	100.0
7	Big market in region	13.7	23.6	23.6	39.2	100.0
8	Little competition from other companies	11.3	24.1	23.6	41.0	100.0
9	Big supply & easy access to raw materials in region	10.4	19.8	26.9	42.9	100.0
10	Low prices of raw materials in region	7.1	18.4	21.2	53.3	100.0
11	Positive experiences of other companies with foreign participation	4.2	13.2	22.2	60.4	100.0

Table 2. Ranking scale of factors determining companies' location choice, in the order of frequency of naming them as very important (in %) LOCAL REPRESENTATIVES' OPINIONS (N=106)

Place on ranking scale	Factor	Factor marking				
		great importance	moderate importance	little importance	no importance	total
1	Good situation & transit connections	48.1	33.0	10.4	8.5	100.0
2	Opportunities to take over free production halls, stores or office space etc.	46.2	31.1	11.3	11.4	100.0
3	Large supply of cheap labour	43.4	34.0	14.2	8.4	100.0
4	Opportunities to find new markets (closeness to border)	34.0	27.4	20.8	17.8	100.0
5	Big market in region	29.2	26.4	24.5	19.9	100.0
6	Foreign partner's links with region (origin, previous contacts)	28.3	23.6	29.2	18.9	100.0
7	Polish partner's link with region	24.5	36.8	25.5	13.2	100.0
8	Little competition from other companies	19.8	37.7	30.2	12.3	100.0
9	Positive experiences of other companies with foreign participation	17.9	40.6	19.8	21.7	100.0
10	Big supply & easy access to raw materials in region	16.0	29.2	28.3	26.5	100.0
11	Low prices of raw materials in region	9.4	24.5	32.1	34.0	100.0

Table 3. Factors limiting location decisions of companies with foreign participation
FOREIGN INVESTORS' OPINIONS (N = 212)

No.	Factor	Proportion % ^{*/}
1	Poor market services infrastructure (banks, communications, transports)	58.5
2	Local population's limited buying power	46.7
3	Small local market	35.4
4	Lack of skilled labour	25.9
5	Local authorities' unfriendly attitude towards foreign investors	15.1
6	Local people's unfriendly attitude towards foreign investments	12.3
7	Inconvenient location	9.0

*/ The percentages do not add up to 100, because some respondents pointed at several factors at the same time.

Table 4. Factors limiting location decisions of companies with foreign participation
LOCAL AUTHORITIES' OPINIONS (N = 106)

No.	Factor	Proportion % ^{*/}
1	Local population's limited buying power	45.3
2	Poor market services infrastructure (banks, communications, transports)	41.5
3	Small local market	38.7
4	Lack of skilled labour	15.1
5	Local people's unfriendly attitude towards foreign investments	12.3
6	Inconvenient location	11.3
7	Local authorities' unfriendly attitude towards foreign investors	2.8

*/ The percentages do not add up to 100, because some respondents pointed at several factors at the same time.

Table 5. Local representatives' actions designed to attract foreign investors
FOREIGN INVESTORS' OPINIONS (N = 212)

No.	Actions	% indications
1	They do little if anything	32.1
2	Foreign investors are aware of no such actions	22.6
3	They prepare bids, bulletins, folders, info booklets, publications	21.7
4	They organise fairs, exhibitions & meetings with foreign investors	15.1
5	They come forward with cooperation offers and/or land lease proposals	5.7
6	They are friendly and open-minded to any offer	5.7
7	They grant investment and tax allowances	3.3

*/ Percentages do not add up to 100 because some investors named more than one source.

Table 6. Local representatives' actions designed to attract foreign investors
LOCAL REPRESENTATIVES' OPINIONS (N = 106)

No.	Actions	% indications
1	They prepare bids, bulletins, folders, info booklets, publications	56.6
2	They organise fairs, exhibitions & meetings with foreign investors	55.6
3	They grant investment and tax grants	19.8
4	They come forward with cooperation offers and/or land lease proposals	18.9
5	They set up foreign investment agencies & offices	7.5

*/ Percentages do not add up to 100 because some investors named more than one source.

Table 7. Sources of information on local communities foreign investors used before starting business in Poland
FOREIGN INVESTORS' OPINIONS (N = 212)

No.	Source	% indications ^{*/}
1	Polish partner person or company	42.9
2	Private contacts to Poles	42.5
3	Previous trade or cooperation with Poland	41.0
4	Family ties to Poland	34.0
5	Sporadic contacts to Polish companies & institutions	25.9
6	Other foreign investors	21.7
7	Local authorities (bids, folders, info booklets)	15.1
8	Polish press, radio & tv	14.2
9	Western press	7.5
10	Western radio & tv	6.6

^{*/} Percentages do not add up to 100 because some investors named more than one source.

Table 8. Sources of information on local communities foreign investors used before starting business in Poland
LOCAL REPRESENTATIVES' OPINIONS (N = 106)

No.	Source	% indications ^{*/}
1	Family ties to Poland	41.5
2	Government agencies, voivodship offices engaged in promotion work	36.8
3	Local authorities (bids, folders, info booklets)	34.0
4	Previous trade or cooperation with Poland	23.6
5	Polish press, radio & tv	15.1
6	Consulting firms	6.6

^{*/} Percentages do not add up to 100 because some investors named more than one source.

Table 9. Foreign investors' knowledge of their local communities at take-off
FOREIGN INVESTORS' OPINIONS (N = 212)

No.	Knowledge description	% indications
1	very poor	9.0
2	inadequate	22.6
3	in-depth	36.3
4	very good	26.9
5	hard to say	4.7
6	no answer	0.5
total		100.0

Table 10. Foreign investors' knowledge of their local communities at take-off
LOCAL REPRESENTATIVES' OPINIONS (N = 106)

No.	Knowledge description	% indications
1	very poor	13.2
2	inadequate	40.6
3	in-depth	25.5
4	very good	8.5
5	hard to say	12.2
total		100.0

Table 11. Difficulties in founding companies with foreign participation
FOREIGN INVESTORS' OPINIONS (N = 212)

No.	Difficulty	% indications
1	Creating good technical & organisational conditions to start business operations	39.6
2	Recruitment & employment of qualified workers	39.2
3	Preparing required documents & registering company	34.4
4	Motivating own staff for work for the company (creating a dedicated team)	29.4
5	Finding business partners	17.9
6	Getting official permission to start company	17.5

^{*/} percentages do not add up to 100 because some investors named more than one difficulty.

Table 12. Difficulties in founding companies with foreign participation
LOCAL REPRESENTATIVES' OPINIONS (N = 106)

No.	Difficulty	% indications
1	Finding business partners	54.7
2	Creating good technical & organisational conditions to start business operations	40.6
3	Preparing required documents & registering company	38.7
4	Motivating own staff for work for the company (creating a dedicated team)	32.1
5	Recruitment & employment of qualified workers	24.5
6	Getting official permission to start company	10.4

percentages do not add up to 100 because some investors named more than one difficulty.

Table 14. Role of local individuals, institutions and organisations in companies' decisions to start business in the gmina
LOCAL REPRESENTATIVES' OPINIONS (N = 106)

No.	Individuals, institutions, organisations	Role description			total
		helped	created difficulties	no opinion	
1	Gmina head, mayor, town president	89.6	-	10.4	100.0
2	Local Polish business representatives	47.2	9.4	43.4	100.0
3	Church	15.1	1.9	83.0	100.0
4	Gmina officers	77.4	1.9	20.7	100.0
5	State enterprises	36.8	8.5	54.7	100.0
6	Other companies with foreign participation	36.8	7.5	54.7	100.0
7	Industrial organisations (trade guilds, business clubs)	61.3	-	38.7	100.0
8	Government agencies (State Foreign Investments Agency, Polish Agency for Regional Development)	45.3	2.8	51.9	100.0

Table 13. Role of local individuals, institutions and organisations in companies' decisions to start business in the gmina
FOREIGN INVESTORS' OPINIONS (N = 212)

No.	Individuals, institutions, organisations	Role description			total
		helped	created difficulties	no opinion	
1	Gmina head, mayor, town president	43.9	6.1	50.0	100.0
2	Local Polish business representatives	21.7	5.2	73.1	100.0
3	Church	6.6	1.4	92.0	100.0
4	Gmina officers	30.2	12.3	57.5	100.0
5	State enterprises	19.3	6.1	74.6	100.0
6	Other companies with foreign participation	17.0	1.9	81.1	100.0
7	Industrial organisations (trade guilds, business clubs)	20.8	0.5	78.7	100.0
8	Government agencies (State Foreign Investments Agency, Polish Agency for Regional Development)	25.9	4.2	69.9	100.0

Table 15. Opinions on business services in local communities
FOREIGN INVESTORS' OPINIONS (N = 212)

No.	Business service missed	% indications
1	Specialised firms supplying information about business partners	56.6
2	Information on Polish economy	43.9
3	Information on local community	41.0
4	Information on companies supplying business services	37.7
5	Consulting services	36.8
6	Marketing services	36.8
7	Advertising services	26.4
8	Economic plans	0.9
9	Legal services	0.9
10	Other	4.3
11	Chose none	12.3

* The percentages do not add up to 100, because some respondents pointed at several factors at the same time.

Table 16. Opinions on business services in local communities

LOCAL REPRESENTATIVES' OPINIONS (N = 106)

No.	Business service missed	% indications
1	Specialised firms supplying information about business partners	56.6
2	Information on local community	44.3
3	Information on Polish economy	39.6
4	Marketing services	36.8
5	Consulting services	35.8
6	Information on companies supplying business services	34.9
7	Advertising services	25.5
8	No direct contact between interested parties	1.9
9	Shortage of credit, lack of partners with venture capital	1.9
10	Poor knowledge of the law	1.9
11	Stable regulations	0.9
12	No business law specialists	0.9
13	Other	3.8
14	Chose none	7.5

*/ The percentages do not add up to 100, because some respondents pointed at several factors at the same time.

Table 17. Matters foreign investors are unable to get done properly at local offices

FOREIGN INVESTORS' OPINIONS (N = 212)

No.	Item	% indications
1	ambiguously worded legal regulations	59.9
2	efficient cooperation with tax offices	43.4
3	telecom services	40.6
4	local officers not keeping to schedules	31.6
5	frequent harassing audits	31.6
6	customs problems	23.6
7	blackouts	23.1
8	difficulties to overcome trying to start new business operations	19.8
9	obtaining ownership titles	17.5
10	work permits for foreigners	10.8
11	efficient transport services	10.4
12	obtaining outdoor advertising permits	9.9
13	problems caused by corruption	7.5
14	obtaining tax allowances on account of employing disabled persons	7.5
15	repair cost clearance	5.7

*/ The percentages do not add up to 100, because some respondents pointed at several factors at the same time.

Table 18. Matters foreign investors are unable to get done properly at local offices

LOCAL AUTHORITIES' OPINIONS (N = 106)

No.	Item	% indications
1	ambiguously worded legal regulations	58.5
2	efficient cooperation with tax offices	34.9
3	telecom services	32.1
4	obtaining ownership titles	31.1
5	difficulties to overcome trying to start new business operations	23.6
6	customs problems	20.8
7	local officers not keeping to schedules	18.9
8	frequent harassing audits	15.1
9	obtaining tax allowances on account of employing disabled persons	11.3
10	work permits for foreigners	10.4
11	efficient transport services	10.4
12	blackouts	10.4
13	problems caused by corruption	5.7
14	obtaining outdoor advertising permits	5.7
15	repair cost clearance	4.7

*/ The percentages do not add up to 100, because some respondents pointed at several factors at the same time.

Table 19. Suggested changes to cooperation between foreign companies and local authorities

FOREIGN INVESTORS' OPINIONS (N = 212)

No.	Suggested change	% indications *	% indications, in 1993
1	streamline information flows both ways	60.8	62.3
2	raise qualifications of local office staff dealing with foreign company representatives	58.5	50.9
3	streamline procedures and cut red tape	52.4	44.0
4	set up separate branches at local offices to deal specifically with foreign companies	32.1	16.3
5	remove barriers mounted by local authorities without reference to binding regulations or central administration decisions	23.6	25.1

*/ The percentages do not add up to 100, because some respondents pointed at several factors at the same time.

Table 20. Suggested changes to cooperation between foreign companies and local authorities

LOCAL AUTHORITIES' OPINIONS (N = 106)

No.	Suggested change	% indications *
1	streamline information flows both ways	81.1
2	raise qualifications of local office staff dealing with foreign company representatives	55.7
3	streamline procedures and cut red tape	53.8
4	set up separate branches at local offices to deal specifically with foreign companies	28.3
5	remove barriers mounted by local authorities without reference to binding regulations or central administration decisions	17.0

* The percentages do not add up to 100, because some respondents pointed at several factors at the same time.

Table 21. Foreign investors' opinions on benefits to local communities from the presence of foreign companies (N = 212)

No.	Benefits	% of indications *)
1	more jobs	88.7
2	boost to local business	87.3
3	new technology transfer	86.3
4	wider foreign contacts	85.3
5	better local market supplies	68.4
6	improved local standard of living	67.9
7	other	5.7

*) The percentages do not add up to 100, because some respondents pointed at several factors at the same time.

Table 22. Local representatives' opinions on benefits to local communities from the presence of foreign companies (N = 106)

1	wider foreign contacts	88.7
2	boost to local business	86.8
3	more jobs	85.8
4	new technology transfer	79.2
5	improved local standard of living	62.3
6	better local market supplies	55.7
7	other	10.4
8	hard to say	0.9

*) The percentages do not add up to 100, because some respondents pointed at several factors at the same time.

Thinking Investment... Think Poland!

The Polish Agency for Foreign Investment (PAIZ) is a professional organisation whose aim is to help foreign businesses considering investment in Poland.

The Agency is a joint stock company, fully-owned by the State Treasury. PAIZ was established to actively promote Poland's investment opportunities and encourage foreign companies to choose Poland as their investment location.

We can help by:

- providing information, advice and guidance to foreign investors and facilitating the initial stages of their investment process;
- providing legal, technical and financial information;
- assisting foreign investors in identifying potential business partners;
- maintaining a link between foreign investors and the appropriate government and local authorities.

Through maintaining an on-going dialogue with the government authorities we contribute to a local environment in which foreign investment can flourish. We serve individual and corporate foreign investors, seeking both direct investment, or cooperation with Polish partners. PAIZ serves as a link in the process, remaining objective and always at the disposal of both parties involved.

PAIZ has years of experience in helping foreign companies successfully invest in Poland. That expertise is available to you.

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