

Polish-British economic relations: an exceptional, enduring relationship

PLN 15b were added to Poland's GDP in 2017 thanks to foreign direct investment from the UK, according to a new report by Deloitte, launched during the Economic Forum in Krynica. The report, titled "Polish-British economic relations: an exceptional, enduring relationship", reveals also that British companies operating in Poland employ almost 115 thousand people.

Irena Pichola, leader of the team for sustainable development in Poland and Central Europe at Deloitte, said upon launching the report:

British entrepreneurs constitute a significant percentage of those investing in Poland. This means that UK companies that helped create the private sector in Poland back in the 1990s support its growth today, thus also the innovativeness of our economy.

Exports, imports, services

In Q1 2019, the UK's share in Poland's exports stood at 6.6 percent – second only to Germany (27 percent).

Rafał Rudzki, director and adviser for sustainable development at Deloitte, said:

Even though Poland and the UK are separated by a significant geographical distance, matters relating to imports and exports have brought both countries closer together regularly for 30 years. The value of Polish exports to the UK totalled less than USD 1b in 1995, but as many as 16.6b in 2018, the increase applying to all key product categories – from electronics and machines to chemicals and metals, to minerals, textiles and foods. The last category can actually boast the most spectacular, twentyfold increase.

UK exports to Poland have also increased during this timeframe – from around USD 1.5b in 1995 to 6.5b in 2018. Topping the list are chemical products (25 percent of all exports) and machines (19 percent), including office equipment and computers. After Germany and Switzerland, the UK is also an important recipient of services from Poland (7.3 percent), and it is the second largest exporter of services to Poland (8.4 percent).

British Ambassador to Poland, Jonathan Knott, said:

Despite the changing international environment, relations between Poland and Great Britain can be described as an exceptional and

enduring partnership. The last century, particularly the period after the fall of communism, saw the flourish of our trade relations the fast development of which benefits both countries. The best proof of expanding bilateral economic cooperation is the fast-growing trade exchange that increased more than fivefold in the years 1995-2018.

Antoni Reczek, Chairman of the British Polish Chamber of Commerce, said:

Poland is perceived positively considering the size of its economy and its strengthening integration with the global economy and the EU's market, and also in view of the availability of domestic providers of goods and services. I'm very glad that companies with British capital plan further expansion in the Polish market: statistically, 3 in 4 companies want to increase employment and investment expenditure. I'm optimistic about the future of British companies in Poland.

Potential for further cooperation – sustainable development

Operational and investment activities of British companies also help implementing the principles of sustainable development. Climate change, pollution, responsible production and consumption, clean energy, reduction of poverty and equalisation of chances are only some areas that call for countries sharing their expertise and best practices.

One of numerous promising areas to exchange experience is energy transformation, particularly offshore wind energy, whose potential in Poland is put at 10.3 GW. The UK is Europe's largest producer of offshore wind energy (8 GW annually) and it plans to generate even 30 GW using this method by 2030. Other upcoming areas include electromobility, modern transport infrastructure and broadly perceived digital technologies.