



Means for EU Projects

In the years 2004-2006, the European Union funds will grant Poland 12.4 billion euro worth regional aid. The budget will finance the investment projects in 15 or 25 percent, depending on their character. Several major financial institutions like the World Bank, the European Investment Bank, the European Bank for Reconstruction and Development and the Council of Europe Bank are offering their credit assistance. Their funds will be spent on financing big infrastructure investment projects, but money for small and medium-size enterprises is also envisaged. The Polish-American Freedom Foundation is ready to finance very small projects.

Economic Boom?

The market conditions index informing about the future tendencies in the Polish economy rose nearly three percent in May. This is one of the highest growths of its value during the entire period of transformation. It augurs well for the continuation of the currently observed boom in the coming months.

Good Business Outlook for Mining Industry

The beginning of 2004 was good for the Polish mining industry, which, after four months, worked out 696.8 million zlotys net profit. This is due to a favourable business outlook. In the first four months of 2003, mining industry brought a loss totalling 84.9 million zlotys. This year's positive results are an effect of growing coal prices. Early in 2003, collieries received less than 140 zlotys for one ton, now – more than 170 zlotys. The average price of coal jumped nearly 100 percent: from 99.8 to 185.6 zlotys per ton. "For the first time since last October we have a situation when the export of Polish coal is profitable," said Deputy Minister of Economy, Jacek Piechota. Before October, collieries had to pay 40 zlotys to each ton of coal sold abroad. Today they profit about 13 zlotys on it. Piechota enumerated two reasons behind the positive business outlook for Polish mining industry: an exceptional demand for coal mainly on the part of China and growing cost of shipment. This makes import of cheap coal from Australia and the Republic of South Africa less cost-effective. Piechota stressed that the positive trend will in no way hold back the process of restructuring the Polish coal industry.

Recordati Interested in Poland

Walter Bevilacqua, deputy C.E.O. of Recordati, an Italian pharmaceutical concern, which gave up the struggle for Polfa Kutno and sold nearly 25 percent of the company's shares to the American Ivax concern, still intends to purchase a drug maker in Poland. "We are looking for companies, which already operate in Poland. If we fail to buy one, we shall study other scenarios like starting our activity here from scratch," Bevilacqua said.

PAIIZ Efforts Resulted in New Investment of BOSCH

Polish subsidiary, Warsaw-based BSH Sprzęt Gospodarstwa Domowego Sp. z o.o., manufactures washing-machines and dish-washers in its Łódź facilities and it distributes remaining equipment nationwide. Since its foundation in 1993, BSH invested over PLN 240 million in Poland and employs roughly 700 people. The company had a turnover of PLN 1.1 billion in 2003, which increased by 35% in comparison to previous year. About 90% of the output is exported to the majority of European countries. Last December BSH was celebrating the production of its 2 millionth washing machine in Poland.

Poles Will Modernise Iraqi Tanks?

The Polish Bumar-Łabędy Mechanical Plant stands a very strong chance for armouring the new Iraqi army. At stake is the modernisation of 300-600 T-52 tanks for 1.2 billion dollars.

Modernisation of Zakopane-Chochołów Road

The just undertaken modernisation of route 958 from Zakopane to the border crossing in Chochołów will cost at least 3.5 million euro. The work on the 19-kilometre long route will last until autumn 2005 occasionally hindering traffic conditions. The budget of the Małopolska Province has allocated 2.5 million euro for the modernisation and the rest of the money will come from the Phare CBC EU fund for the support of border cooperation.

Rzeczpospolita – the Best Financial Institutions

According to the *Rzeczpospolita* daily, AIG Bank Polska, Fiat Life Insurance, Europa Insurance Society, PTE ING Nationale-Nederlanden and BZ WBK AIB TFI are the best firms in Poland's financial sector.

Outsourcing and Investment opportunities in Poland

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