"The Silesian Voivodeship - economic information"

1. Basic information

The Silesian Voivodeship is the most important industrial region of Poland, situated in the southern part of the country. The region borders the Opole, Łódź, Świętokrzyskie and Lesser Poland Voivodeships, to the south it borders the Czech Republic and Slovakia. Six European capitals: Warsaw, Prague, Bratislava, Vienna, Budapest and Berlin lie within a 600 km radius of Katowice.

Silesia has a polycentric character - its administration, universities and colleges, cultural institutions and larger companies are concentrated predominantly in the large cities of the agglomeration, such as Katowice, Sosnowiec, Bytom, Gliwice, Zabrze, Tychy and Chorzów. Capitals of subregions such as Rybnik, Bielsko-Biała and Częstochowa also serve important roles.

The high degree of urbanisation is manifested by the fact that over 70% of the population lives in 71 cities and towns of the region, of which:

- 3 have over 200,000 residents;
- 9 have from 100,000 to 200,000 residents; and
- 11 have from 50,000 to 100,000 residents.

Thus, every third big Polish municipality lies in the Silesian Voivodeship. The region ranks 14th in the country in terms of area and 2nd in terms of population. Nearly 4.6 million people, i.e. close to 12% of the total population of Poland, live on this relatively small territory of 12,333 km², i.e. less than 4% of the area of Poland. This gives the highest population density in the country: 371 people per km², compared with 123 people per km² in Poland and 114 people per km² in the EU. This high population concentration in a relatively small area is a huge potential market for consumer products.

The region owes its specific character to the Upper Silesian urban area, the largest urbanised area in Central and Eastern Europe, inhabited by more than 2 million people. It comprises a very dense urban network which is a group of towns and cities practically adjoining one another, located along a 70 km stretch from Dąbrowa Górnicza to Gliwice. It covers nearly 18% of the voivodeship's area (1200 km²) and its average population density is 1900 people per km². There are 38 higher education institutions in this area, several hundred thousand companies, and the thickest network of railroads and tram lines in Poland.

2. Economy

The Silesian Voivodeship has one of the strongest economies in Poland. Over 12% of the gross domestic product (GDP) is generated here, which is the second result in the country.

The transformations that are currently taking place in the region's economy are manifested by a significant change in the structure of the gross value added it
generates. In this respect, the service sector contributes almost 57% and industry - nearly 35%, which is the best result in the country.

The Silesian Voivodeship has numerous natural resources, including bituminous coal, zinc and lead deposits, methane and natural gas reserves, marl, limestone and natural aggregate deposits, as well as thermal, mineral, and healing waters. The existing resources served as a basis for the formation of the largest industrial region in the country.

Bituminous-coal mining and the iron and steel industry went through profound restructuring processes. The effects of the transformation processes taking place in coal mining include reduced employment and improved efficiency. The iron and steel industry, in turn, has undergone substantial changes in the ownership and management structure. As a result, it has been nearly fully privatised. Due to the high concentration of industry, the Silesian Voivodeship is one of the leading domestic electric power producers.

Many industries have developed on the basis of the conventional industries, particularly the modern machine industry, which is now present on many foreign markets and constitutes a major element of the economic landscape of the voivodeship. The BPO/SSC sector is growing dynamically, stimulating the activity of real estate developers.

The restructuring processes that have been in progress for many years result in systematic changes in the voivodeship's economic structure. The role of coal mining and the iron and steel industry has diminished, while the importance of the electrical machine industry, IT, and energy industries has been growing. The fastest growing sectors are the automotive industry (the region is the largest motor vehicle producer in the country) and the food industry.

Over 460,000 economic entities are registered in the Silesian Voivodeship. The largest groups among them are natural persons conducting economic activity and commercial-law companies. State-owned enterprises are the smallest group.

Over 95% of the total number of economic entities in the region operate in the private sector.

2.1. Business environment

The voivodeship benefits from the activity of numerous business-related institutions, i.e. local and regional development agencies, economic, industrial chambers and chambers of commerce, professional guilds and other business environment institutions. Business incubators, industrial and technological parks and clusters also operate in the voivodeship. Their primary goal is raising the competitiveness of small and medium-sized enterprises and facilitating their development.

The most important institutions operating in the region are: Chamber of Commerce and Industry in Katowice, the Chamber of Crafts and Small and Medium-sized Entrepreneurship in Katowice and the Górnośląski Fund. Moreover, numerous loan, guarantee and venture capital funds run their businesses here.
The region is becoming a major trade fair centre. A prominent venue for various events is the International Conference Centre in Katowice, where global events and trade fairs are held. What makes the object so attractive is the possibility of holding even a dozen or so events at the same time and the fact that the largest conference hall can accommodate 12,000 people.

The trade fair events can also be organised in The Spodek Sports and Entertainment Arena in Katowice, which is a popular venue for concerts, congresses, training sessions and national and global artistic and sporting events such as the computer games world championships Intel Extreme Masters.

Various types of trade fairs, conferences, expositions, events, seminars and training courses are also organised in the Fair and Conference Centre "Expo Silesia" in Sosnowiec.

The most important economic event in the region is the European Economic Congress, which has been held for several years. It is a series of meetings and discussions focusing on matters that are most important from the perspective of economic and social development of Europe. Every year, it is attended by several thousand people from all over the world. The guests of the Congress are EU Commissioners, prime ministers of European states and representatives of the Polish government. Another important event is the European Congress of Small and Medium-Sized Enterprises, providing opportunity for the discussion of issues regarding development possibilities and challenges faced by entrepreneurs.

The Silesian Voivodeship has an enormous research and development potential, being Poland's second centre in this regard. The source of this potential are scientific units, research and development centres and higher education institutions. Their activity is oriented primarily towards environmental protection, energy industry, automation and electronic engineering and the construction industry.

The Silesian Voivodeship is one of the leaders in terms of the number of economic entities operating in high-technology industries. The region features many micro-enterprises (employing less than 10 people), producing medical and surgical equipment, orthopaedic equipment, television and radio transmitters, telephony and wireless telegraphy devices, as well measurement, control, testing and navigation instruments and appliances etc.

### 2.2. Investment attractiveness of the Silesian Voivodeship

The region has topped investment attractiveness rankings for many years, which is confirmed by the report titled "The Investment Attractiveness of the Regions and the Sub-regions of Poland" prepared by experts from the Institute for Market Economics. This attractiveness stems from e.g. the largest resources of qualified labour of the highest quality, the great industrial tradition of the region, a large sales market (the second biggest in Poland), very well developed business environment sector, very well developed economic and social infrastructure.
2.3. Katowice Special Economic Zone

The Katowice Special Economic Zone Co. (KSEZ Co.) was established in order to support and accelerate the restructuring processes and create new jobs in the region. Its role is to promote the Silesian Voivodeship as an investment-friendly place.

The Katowice Special Economic Zone Co. is a scattered formation, consisting of four subzones:

- the Gliwice Subzone,
- the Jastrzębie-Zdrój and Żory Subzone,
- the Sosnowiec and Dąbrowa Górnicza Subzone, and
- the Tychy Subzone.

During over 20 years of its existence, over 250 economic entities have been brought to the zone. In total, the companies have invested approx. PLN 26 billion (almost EUR 6 billion) and have created over 65,000 jobs. At least as many jobs as within the zone have been created in its direct vicinity.

In 2015 and 2016 The Katowice Special Economic Zone was recognised as the best economic zone in Europe by fDi Business Financial Times.

Only in 2016, the KSEZ acquired 29 investments involving total declared investment outlays of over PLN 1.9 billion. The entrepreneurs have declared the creation of over 1,600 new jobs and the maintenance of 9,500. Among investors there are such companies like: TRW Polska, Sekonix, Eaton Automotive Systems Sp. z o.o., Nifco Korea Poland and Shelf 31.

The zone is also oriented towards projects of BPO service centres, the creation of research and development centres, and the so-called large-scale investments. Investors appreciate the region's potential, which undoubtedly encompasses the modernised and expanded highway network, distinguishing our region on the national transport map. This provides excellent investment conditions for logistics companies.

3. Transport

3.1. Road transport

The road infrastructure is influenced by the fact that Poland is a transit country. The privileged regions are those crossed by pan-European transport corridors, ensuring the development of a highway network. Two pan-European routes intersect in the Silesian Voivodeship: Corridor III (Berlin - Wrocław - Katowice - Kraków - Lviv) and Corridor VI (Gdańsk - Katowice - Žilina). Silesia is an area characterised by a very good transport accessibility, not only due to its major routes, but also due to a very high density of the road infrastructure.

The region has an extensive public transport network - the tram tracks are nearly 340 km long. The Upper Silesian urban area plays an important role in the transport system. This is where the A1 and A4 motorways intersect. The direction dominant in the Upper Silesian urban area is east-west, delineated by the A4 and Drogowa Trasa Średnicowa (DTŚ). The total traffic flows in this direction in Katowice can reach approx. 150,000 vehicles a day in the near future. Both highways have different
functions: the motorway serves the long-distance traffic, including transit, while the DTŚ mainly serves local traffic and function as an interurban route (it is referred to as "an interurban motorway").

3.2. Rail transport

Approx. 50% of the national rail transport takes place in the Silesian Voivodeship. Describing the rail infrastructure in Silesia, it is necessary to mention the railway node in Tarnowskie Góry - one of the largest railway nodes in Europe. Communication between Bielsko-Biała, Katowice and Warszawa is provided by the Central Rail Line (Centralna Magistrala Kolejowa, CMK) and between Katowice and Gdańsk - the Port Line (Magistrala Portowa); the two lines are used to ship most products from the voivodeship. Moreover, owing to the CMK, the journey from Katowice to Warszawa (297 km) takes a shorter time. Major railway routes run through the region, three of which are AGC international railway routes:

E30 (Dresden - Zgorzelec – Wrocław – Katowice – Medyka – Lviv – Kiev – Moscow),

The Euroterminal in Sławków, having an internal railway network comprising both wide-gauge and European-gauge tracks, also plays an important part, being a link in the freight flow on the Asia/Far East - Western Europe axis. The Polish section of the wide-gauge railway is the Linia Hutnicza Szerokotorowa, the westernmost 1520 mm-gauge railway line in Europe.

3.3. Air transport

Katowice International Airport is located in Pyrzowice, about 30 km away from Katowice. It is mainly used by passengers from the south of Poland, but also from the Czech Republic and Slovakia. Katowice International Airport is currently one of the key elements of the transport infrastructure of the voivodeship. The local weather and terrain conditions are much better here than at other Polish airports.

In 2016 after complete renovation and reconstruction a security and documents check zone and departure hall in terminal A of the Katowice Airport were put into service. The new cargo terminal was also opened which occupies the area of 12 thousand sq. m. and is three times bigger than the terminal which had been used before. The cargo terminal is constructed in such a way so that in the future module reconstruction of the building would be possible. The halls can be adopted to the size and the needs of transport companies.

The year 2015 brought two substantial investments: the opening of a new arrival hall and a new runway. The arrival hall (Terminal C) is one of the largest investment in recent years. It increased the airport's capacity from 3.6 to 6 million passengers a year. The new runway is one of the longest in Poland (3.2 km) and can be further extended by 400 m. Such parameters and an appropriate infrastructure enable the airport to handle the biggest aircrafts with full load.
The total passenger traffic in 2016 exceeded 3.2 million people. Charter flights are a potential source of increase in private air traffic. In the year 2015, the Katowice International Airport had a 10% share of the market, ranking 4th in the country - right behind Warsaw Chopin Airport, John Paul II International Airport Kraków–Balice, and Gdańsk Lech Wałęsa Airport.

Katowice International Airport also plays an important role in cargo transport. In this regard, it ranks 1st in the country among regional airports - the cargo traffic handled was over 17,500 tonnes in 2016.

4. Human Capital

The Silesian Voivodeship is inhabited by nearly 4.6 million people, which is nearly 12% of the country population. In 2015, the proportion of people of working age was 62.5%, i.e. close to over 2.8 million. The Upper Silesian urban area has the highest population density. Almost 8.5 million people live in a 100 km radius of Katowice.

5. Education

Almost 280,000 students attend primary schools, over 115,000 go to secondary schools, and the remaining over 30% of students attend various types of upper-secondary schools, vocational colleges, and schools for adults.

The most popular foreign language in schools is English (over 70% of all students in the region), followed by German (over 23%) and French (over 2.5%).

There are 38 higher education institutions in the Silesian Voivodeship, including universities and technical, economic and teacher education colleges. In total, they provide education to 119,000 people, i.e. 8.5% of the total number of students in the country. The highest number of graduates came from higher technical schools (over 30% of graduates in the region), higher economic schools (over 20%) and the University of Silesia (over 15%).

6. Tourism

The Silesian Voivodeship is full of positive energy, coming from its cultural and scenic diversity. The region offers the widest range of various tourist attractions in the country. It includes the stunning limestone rocks of the Kraków-Częstochowa Jurassic Highland, offering excellent conditions for rock climbing; the Silesian and Żywiec Beskids with ski resorts: Szczyrk, Ustroń, Wisła, and Korbiołów; the forests near Pszczyna, which were witnesses to the history of the Dukes of Pszczyna; the natural reserve Łężczok near Racibórz; and the Upper Silesian urban area with its nearly 200-year industrial tradition.

Other famous places of interest are the Pauline Jasna Góra Monastery in Częstochowa, the Trail of the Eagles' Nests in the Kraków-Częstochowa Jurassic Highland and the Castle Museum in Pszczyna. The Industrial Monuments Route, the
only regional industrial tourist route in Poland, deserves particular attention. It comprises 42 objects which were part of the industrial revolution in the previous centuries and are tourist attractions today. The objects that are particularly noteworthy are: the Żywiec Brewery Museum, the Tyskie Brovarium, and the Guido historic coal mine in Zabrze.

The festival Industriada, the main event promoting the Route, is organised every year. It is the largest one-day festival of industrial heritage culture in Central and Eastern Europe. It is held across the Route objects, and since 2013 also in the so-called "partner objects". During Industriada, industrial culture is promoted as a distinctive attribute of the region and an attractive way of spending leisure time.

The Silesian Voivodeship specializes in organising major sporting and cultural events. Spodek Arena and Silesia Park have been venues for the most prestigious sporting events: Volleyball Men's World League matches, Volleyball Men's World Championship 2015, European Men's Handball Championship 2016, Ice Hockey World Championship Division I Group A 2016 and concerts of world music stars.

According to the survey “Tourist traffic analysis in the Silesian Voivodeship in 2016” published in May 2017, the Silesian Voivodeship in 2016 was visited by approx. 5.3 million tourists. The region was also visited by tourists from abroad. The most often declared purpose of visit was visiting family, in less cases it was a business trip. Among Polish tourists who are not from the Silesian region tourists from Malopolskie, Opolskie and Lodzkie Voivodeships dominated.

7. Health

Medicine, particularly cardiac surgery and oncology, is a field in which the region distinguishes itself on a national and international scale. Its hospitals occupy top positions in national rankings. The most prominent of them are: in the field of cardiac surgery - the Silesian Centre for Heart Diseases (Zabrze) and the Upper Silesian Medical Centre (Katowice); oncology - Maria Skłodowska-Curie Institute of Oncology (Gliwice); the Clinic for Haematology and Bone Marrow Transplantation (Katowice); burns - the Burn Treatment Centre (Siemianowice Śląskie).

The Silesian Centre for Heart Diseases in Zabrze deserves particular attention as one of the major heart transplant centres in Poland. Complicated cardiovascular surgeries and transplants are carried out there every year. The centre is one of the leading cardiac surgery institution in Europe. Increasingly, the doctors from the Zabrze centre perform a transplant of two organs at a time in order to save the patient’s life.

Cardiac surgery is also the domain of the Upper Silesian Medical Centre of the Independent Public Clinical Hospital of the Medical University of Silesia, which is one of the best in the world in terms of minimally-invasive surgeries and the use of modern technologies. Heart surgeries without opening the chest are performed there.

In 2017 in the Upper-Silesian Medical Centre in Katowice the world’s unique surgery took place which was based on implanting an ocludder and then micro clamps and which in the end saved the patient’s life who had a whole in his heart.
The region's medicine also excels at oncology. The Maria Skłodowska-Curie Institute of Oncology in Gliwice is one of the most modern hospitals in the country. In 2015 the world’s first neck organs transplant was carried out in Gliwice.

The Clinic for Haematology and Bone Marrow Transplantation in Katowice is a transplant centre recognised across Europe. The first allogeneic bone marrow transplantation in the country and the first bone marrow transplant from a Polish unrelated donor were performed there. The clinic is accredited by the American Bone Marrow Donor Registry.

The Burn Treatment Centre in Siemianowice Śląskie is a leading Polish institution in which burns and their consequences are treated. The objectives of the centre include the treatment of burns, also by hyperbaric oxygen therapy (used for treating burns, post-traumatic injuries, infections, inflammation conditions, oedemas) and rehabilitation of patients suffering from burn consequences.

In 2015, the state-of-the-art Silesian Centre for Perinatology, Neonatology and Foetal Surgery, being part of the clinic operating in the Specialized Hospital No. 2 in Bytom, was opened. In 2017 in the Pediatrics Centre in Sosnowiec the most modern in Poland Children’s and Youth Psychiatric Center was opened. It is the first center in Poland which offers its patients inpatient treatment in clinic (in a day ward) and at the same time a community treatment.

In 2017 in District Railway Hospital in Katowice Poland’s first treatment of glaucoma with ultrasounds was carried out and the first in Poland transplantation of stem cells of the surface of cornea was held.

8. Culture

Silesian culture is characterised by diversity resulting from the mingling of many cultural traditions and new forms of expression presented by modern artists.

The voivodeship has a strong cultural base, comprising many cultural institutions and organisations. The artistic institutions run by the Silesian Voivodeship include: the drama theatre – Silesia Theatre in Katowice, the musical theatre Teatr Rozrywki (the Theatre of Entertainment) in Chorzów, and the Silesian Opera in Bytom.

The year 2015 was a very important moment in the musical history of the voivodeship’s capital. A new seat of the National Polish Radio Symphony Orchestra (NOSPR) was opened at the premises of a former coal mine. The seat has two concert halls having excellent acoustics. Since December 2015, Katowice has been part of the UNESCO Creative Cities Network in the field of music.

In 2015, a new seat of the Silesian Museum was opened. A substantial part of the object is located underground, which invokes the industrial lineage of the region. The use of modern architectural solutions enables visitors to see the exhibition rooms and collections in daylight, over 13 metres below the ground surface.

The purpose of the Silesia Film Institute is the popularisation of film culture. The Film Art Centre with the Silesia Film Archive and the Rialto Cinema Theatre are both within the framework of the institute.
One of the major tasks undertaken by the voivodeship is promotion of Silesian culture outside the region and abroad by presenting various arts and engaging in international cooperation in this regard. The task is carried out by the Cultural Institution Ars Cameralis Silesiae Superioris. Most importantly, it organises presentations regarding the culture of our region under cooperation agreements with other European regions.

Silesian culture is also promoted abroad by the "Śląsk" Song and Dance Ensemble in memory of Stanisław Hadyna, one of the biggest Polish folk ensembles.

The region hosts significant musical events, such as Tauron Nowa Muzyka festival (presentation of the best music bordering on jazz, electronic and dance music, attracting thousands of fans every year) and the OFF Festival (covering broadly conceived alternative music).

9. **The Silesian Investor and Exporter Assistance Centre**

The Silesian Investor and Exporter Assistance Centre is located in Katowice and operates within the structures of the Marshal’s Office of the Silesian Voivodeship. The Marshal’s Office is a partner of the Polish Investment and Trade Agency S.A. (formerly Polish Information and Foreign Investment Agency S.A.), headquartered in Warsaw.

The services rendered are free of charge and include:

- direct service to the investors,
- providing information about the region,
- providing information regarding export,
- facilitating contact with the local authorities,
- organising conferences regarding the investment attractiveness and economic development of the voivodeship.

**10. Contact details:**

Marshal's Office of the Silesian Voivodeship
Department of Economy, Tourism and Sport
ul. Ligonia 46
40-037 Katowice
Poland

Silesian Investor and Exporter Assistance Centre
www.invest-in-silesia.pl
tel.: +48 32 774 09 78
kontakt@invest-in-silesia.pl
gospodarka@slaskie.pl