KRAKOW TECHNOLOGY PARK
AND POLISH R&D SECTOR
AGENDA

» Where we are: some data on R&D
» Special Economic Zone
» Services for businesses at the KTP
» Technology Incubator
» KTP Seed Fund
» Małopolska Information Technology Park (MITP)
KRAKOW TECHNOLOGY PARK

Our mission: Support for the development of Małopolska’s modern economy
R&D EXPENDITURES IN EU
(% BIP, 2011)

- **Finland**: 3.5
- **Sweden**: 3.0
- **Denmark**: 2.5
- **Germany**: 2.0
- **Austria**: 1.5
- **Slovenia**: 1.0
- **Estonia**: 0.5
- **France**: 0.0
- **Belgium**: 0.0
- **Ireland**: 0.0
- **Czech Republic**: 0.0
- **United Kingdom**: 0.0
- **Netherlands**: 0.0
- **Luxembourg**: 0.0
- **Hungary**: 0.0
- **Spain**: 0.0
- **Portugal**: 0.0
- **Italy**: 0.0
- **Malta**: 0.0
- **Bulgaria**: 0.0
- **Slovakia**: 0.0
- **Lithuania**: 0.0
- **Poland**: 0.0
- **Latvia**: 0.0
- **Romania**: 0.0
- **Cyprus**: 0.0

- **Public**
- **Private**
BES R&D EXPENDITURES IN EU
(% BIP, 2011)
BES R&D IN POLAND
(% BIP, 2000-2011)
PATENT APPLICATIONS IN EPO
(PER MILLION INHABITANTS, 2010)

Switzerland: 381,63
Germany: 267,48
France: 135,27
Poland: 8,07
R&D IN POLISH REGIONS
(% BIP, 2009)
Technology Park

» technology incubator
» attractive environment for research and development
» financial instruments
» training programmes
» Małopolska Information Technology Park (MITP)

Special Economic Zone

» land for green-field investments
» office space to let
» public aid package: tax incentives
» business promotion of the region
KTP IN REGION’S MODERN ECONOMY SYSTEM
CEE on the global investment map

What are the most attractive places in which to establish operations?

- Western Europe: 63%, 55%, 52%, 45%, 38%, 35%, 29%, 23%, 16%, 11%
- China: 52%, 55%, 55%, 45%, 38%, 35%, 29%, 23%
- USA & Canada: 45%, 45%, 45%, 38%, 35%
- Central & Eastern Europe: 18%, 18%, 18%, 18%, 18%
- Russia: 6%, 6%, 6%, 6%
- Brazil: 7%, 7%, 7%, 7%

POLAND ON THE GLOBAL INVESTMENT MAP

» 1st place in Central and Eastern Europe, and 7th in Europe in the ranking of acquired direct foreign investment.

» Europe is among the most attractive (second only to China) directions for expansion of direct foreign investments, thanks predominantly to the high quality of human capital.
SPECIAL ECONOMIC ZONE IN POLAND: DEFINITION

✓ Polish **Special Economic Zones** are administratively distinctive areas of Poland, where investors are encouraged to run business activity on preferential conditions. The goal behind the operation of the zones is to speed up economic development of selected areas of the country.

✓ 14 Special Economic Zones cover 15,000 ha

✓ First SEZ was established in 1995
SPECIAL ECONOMIC ZONE KTP

» Possibility of obtaining CIT or PIT tax reliefs
» Tax benefits for businesses operating
» Established in 1997
» 23 subzones
» Total area: 558.7 ha
» Over 100 permits to operate in the zone
» Declared investment outlay: PLN 1.7 billion
» New jobs: over 10,000
SEZ SUBZONES IN MAŁOPOLSKA

Special Economic Zone
SPECIAL ECONOMIC ZONE NIEPOŁOMICE

Małopolska’s largest subzone: over 200 ha

Situated in vicinity of Kraków

Key investors: M.A.N., Nidec, Woodward, Foodcare

Snowball effect: introduction of cooperating businesses
## STATE AID SYSTEM IN SEZ - EXAMPLE

<table>
<thead>
<tr>
<th>investment (in PLN)</th>
<th>new jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. plot</td>
<td>3 million</td>
</tr>
<tr>
<td>2. building</td>
<td>10 million</td>
</tr>
<tr>
<td>3. other fixed assets</td>
<td>11 million</td>
</tr>
<tr>
<td><strong>Total (1+2+3)</strong></td>
<td>24 million</td>
</tr>
</tbody>
</table>

1. labour cost (monthly, incl.tax)                  | PLN 3122
2. new jobs                                        | 320
3. number of months (2 years)                      | 24

**Total (1×2×3)**                                   ~ 24 million

| Public aid (50%)                                   | 12 million
| Public aid (60%)                                   | 14.4 million
| Public aid (70%)                                   | 16.8 million
| Public aid (50%)                                   | 12 million
| Public aid (60%)                                   | 14.4 million
| Public aid (70%)                                   | 16.8 million
SERVICES FOR BUSINESSES
SUPPORT FOR BUSINESSES

Logistics and administrative facilities

- **technology transfer**
  - Consulting services
  - Financial services
  - Education
  - Enterprise promotion

- **incubation**
  - Coaching
  - Networking
  - Financing
  - Training

- **growth**
  - Infrastructure
  - Marketing
  - Exhibitions and fairs

- **expansion**
  - Project development
  - International cooperation
  - Tax incentives (special economic zone)

financial instruments
TECHNOLOGY INCUBATOR

• Mission

• Numbers:
  ➢ 26 start-ups now
  ➢ over 30 left TI

• Sectors:
  ICT and engineering
INCUBATOR OFFER

» Office space
» Internet/WiFi
» Seminar room
» address

» Administrative support:
  • Postal services
  • Basic office equipment
  • Others, according to needs and demands
PHOTOS
KTP SEED FUND
START-UP FINANCING CYCLE

Startup Financing Cycle

- Angels, FFF
- Seed Capital
- Early Stage
- Later Stage
- Mezzanine
- 1st, 2nd, 3rd
- Break even
- Valley of Death
- VCs, Acquisitions/Mergers & Strategic Alliances
- Secondary Offerings
- Public Market
- IPO
KTP SEED FUND

Project goals
Fund established by the KTP and Satus Venture. Objective: to establish new, innovative businesses

Scope
Information technology and telco, including online projects; engineering including nanotechnology, material engineering; electronics, medical equipment

Tools
Technical, business, and legal consulting in the establishment of new firms, providing capital for new businesses by assuming shares of up to €200,000
MALOPOLSKA INFORMATION
TECHNOLOGY PARK
THINKING ABOUT THE FUTURE…
MAŁOPOLSKA INFORMATION TECHNOLOGY PARK

» Project conducted with a financial support of EU funds

» Site: south-western part of Kraków, University Campus

» Total cost: about 33 million €

» Planned opening of the MITP: Q4 2013
MITP: BASIC SERVICES

- services for enterprises
- library
- training centre
- office space
- laboratories
THANK YOU FOR YOUR ATTENTION!

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