

BUSINESS

97 active cell phone numbers per 100 citizens was Poland's "penetration level" at the end of December, according to the Office of Electronic Communications.

EXECUTIVES TALK SHOP

A group of Polish entrepreneurs affiliated in an organization known as the Executive Club met at the Sobański Palace in Warsaw March 10 to discuss issues including the need to invest in road and rail infrastructure in Poland. They agreed that infrastructure projects could help mitigate the effects of the ongoing economic slowdown.

The meeting, which was sponsored by Warsaw firms Cigno Consulting and Holon Consultants, featured speakers including construction company executives and officials from institutions responsible for preparing and carrying out road and railway construction projects in Poland.

Janusz Piechociński, deputy chairman of the parliamentary committee on infrastructure, opened the discussion, which also featured Zbigniew Rapciak, undersecretary of state at the Infrastructure Ministry; Krzysztof Celiński, president of PKP Intercity company; Marek Michałowski, chairman of Budimex SA; and Waldemar Merski, vice-chairman of Eurovia Polska.

The panelists and guests invited to the meeting discussed ways of overcoming obstacles to investment in Poland's infrastructure systems.

Discussing legal regulations governing infrastructure projects, participants agreed that these rules should be stable, transparent and applied in the right way—with the use of common sense.

The discussion also focused on the work of contractors and their capabilities in terms of human resources. According to Michałowski, the current crisis paradoxically offers an opportunity to accelerate infrastructure projects in Poland because building materials and labor are now cheaper than they used to be, while construction companies' production capacity has not decreased.

The Executive Club is an association that was established in 2005 to help entrepreneurs exchange views and experiences on issues important to those doing business in Poland.

NBP Exchange Rates (April 6, 2009)

1 EUR = zł.

4.4940

1 USD = zł. 3.4625 = zł. 2.9213

stare

1 CHF

GLOBAL GDP TO SHRINK: WORLD BANK

The global economy will shrink this year for the first time since World War II while global trade will see its sharpest decline in 80 years, with East Asian economies set to be hit the hardest, the World Bank has warned.

World Bank President Robert Zoellick said he expected the global economy would grow this year at least 5 percentage points below potential. World Bank analysts predicted that industrial output would contract by 15 percent compared with 2008. Zoellick called on governments and international lenders to move quickly to contain the crisis.

ECB HEAD SEES LIGHT AT END OF TUNNEL

Jean-Claude Trichet, head of the European Central Bank (ECB), has said he believes that the world economy is approaching a turning point and that investors are underestimating the potential for a return to economic growth.

"We have a number of elements that are suggesting that we are approaching the moment where you would have a pickup," Trichet said at a meeting of top central bankers in early March.

According to Trichet, a drop in oil prices, coupled with measures taken by governments and central banks across the world including aggressive interest rate cuts, are likely to stimulate economic growth.

LIVING COSTS FALL IN WARSAW

Living costs in Warsaw in February for Americans working in Poland were a third lower than in Chicago, Los Angeles and New York, according to the Economist Intelligence Unit (EIU).

Defining living costs in the three U.S. cities as 100 percent, the EIU calculated costs in 132 cities around the world. The EIU took into account exchange rate fluctuations. Warsaw living costs decreased from

99 percent in February last year to 67 percent. Warsaw ranks 90th alongside Cairo and Kuala Lumpur. The most expensive city in the region is Prague, in 56th place, while the cheapest city is Kiev, which ranks 124th.

CEB LOAN FOR EFL

Europejski Fundusz Leasingowy (EFL), Poland's largest leasing company, and the Council of Europe Development Bank (CEB) have signed a contract for a 130-million-euro loan to fund investment in production facilities by micro, small and medium-sized businesses throughout Poland. The objective is to strengthen the competitiveness of Polish businesses, create new permanent and seasonal jobs and retain existing ones. This is CEB's second project involving EFL. Previously, the bank offered EFL 50 million euros.

POLES PLAN TO RETURN HOME

Some 250,000 Poles who have emigrated would like to return home by the end of the year. Around 200,000 say they will definitely return, according to a survey published in early March by the Money.pl website. Last October, 14.5 percent of those polled planned to return, while in February the figure was 13.7 percent. The largest number of migrants, 30 percent, want to return from the United States. Migrants' main reason for wanting to come back, cited by 79 percent of those polled, was to return to their families in Poland. The Central Statistical Office (GUS), quoted by Money.pl, estimates the number of Polish job migrants at 2 million.

LABOR COSTS UP

In the fourth quarter of last year, labor costs rose by 3.8 percent year on year in the euro zone and by 4.6 percent in the EU as a whole. The biggest increase, 21.5 percent, was recorded in Romania, and the lowest in Malta—0.4 percent. Poland, with a 9.8-percent increase, was in fifth place.

