Interview: Monika Constant – Director General, French-Polish Chamber of Commerce, Poland



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Monika Constant, director general of the French-Polish Chamber of Commerce in Poland (CCIFP), discusses the evolution of the two nations' bilateral business relationship, the benefits of conducting business in Poland, and the barriers preventing the next wave of foreign direct investment into the Polish economy. She also highlights the impact of French pharmaceutical companies and the factors that have contributed towards the countries successful long-term relationship.

As the director general, could you introduce to our international audience the French-Polish Chamber of Commerce in Poland (CCIFP)?

The mission of the chamber is to connect organizations within our group of around 500 members and allow them to network effectively. We support both French investors in Poland, as well as Polish companies that are interacting in the French market. Our focus is not only this day-to-day networking activity, but equally, we represent our members by supporting their lobbying efforts and provide them with education via our training centers.

On the healthcare side of things, the pharmaceutical sector is the third largest industry in the Polish market based on size of investment, and many of our member companies have a large hand in this overall footprint.

Until 2015 French companies had invested 17.9 billion EUR into the polish economy. How has this figure evolved?

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French investments in Poland have not grown significantly since 2015 in terms of capital growth according to the National bank of Poland – although – there still are many French companies that are entering the market and our role is to assist them. Poland has an excellent abundance of opportunities for investors, due to its large size, growing market consumption and GDP, and this potential has only grown further since the nation´s introduction into the EU.

Looking at the history of foreign investments into the polish economy it has come in three waves. The first came after the fall of communism in the early 90´s when many state enterprises were facing bankruptcy and were bought by large foreign players. This initial movement formed the backbone of the Polish economy, while in the meantime bringing their international expertise to Poland.

The second wave came around 2004 with the influx of smaller business, and the final wave has come recently, with the reinvestments of profits by blue chip companies, a practice equally being conducted by the pharmaceutical industry. These days France is among the three biggest investors in Poland. We have to remember that some companies have decided to enter the polish market through other nations; therefore, the position of French investments is higher than what is officially documented.

What needs to be done to facilitate the next wave of foreign investment?

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The next influx of companies and the stimulation of domestic growth will only be spurred on by the overcoming of barriers. Many of these obstacles are administrative as the system is overly complex and there are many concerns around the fast-changing tax ecosystem; therefore, we are working closely with other bilateral chambers in Poland to construct a more business-friendly model.

The Minister of economic development and finance, Mateusz Morawiecki, is equally attempting to find a solution to simplify the system, although, the efforts of the government have been rather chaotic. On one hand, they are supporting a comfortable business environment – on the other hand – initiatives being put forward, centred around tax legislation, may scare some investors and prevent the possibility of a subsequent wave of investment in the near future.

Additionally, companies that are not yet in Poland, or current investors with French-based headquarters, have a lack of knowledge about the great potential Poland offers. The government must do better in portraying the true positive business landscape that exists, rather than the mixed messages that the world currently receives that focuses around systematic complication. The government must effectively attack this concern via a two-pronged approach; changes to the complex business model and improved communication of the nation's abundance of opportunities.

French pharmaceutical companies are some of the largest across the globe. How important is the sector within your operations?

We have a number of pharmaceutical companies in Poland that perform more than sales and marketing operations. In Poland, Roche has positioned its global IT center, while Sanofi and Servier have large production processes that distribute both domestically and internationally. This capitalises on the nations world-class workforce that generally demands lower wages, compared to other EU members.

What are the advancements of Polish companies looking to make an impact on the French market?

Polish investors entering the greater European network, such as in France, have made tentative efforts. We support them when they choose to distribute or position themselves in France, and thus far around 20 polish enterprises have made this initial step.

Many countries have commonalties in their business mindset. What is the link that has made the French-Polish relationship so successful over the years?

First of all, there are no dramatic differences between the two cultures, which makes it considerably easier to perform our role. Secondly, the developed sectors within both nations is similar, and Poland has a strong hand across the EU in agrofood and mechanical engineering. Nevertheless, I believe that the French market and people still fail to appreciate how well developed the polish business environment is. Saying that, this perception is not only present in France, but across Europe.

What is your advice to potential French investors looking towards Poland?

The best advice is to listen! Polish people at times tend to feel a little underappreciated and that the world has forgotten us, despite Poland having such a rich history.

When the first wave of investors entered the Polish market in the early 90´s they brought their knowledge and own style of business, though learnt quickly that they had to readjust the structure

of their enterprises to adapt to the Polish business culture. Adaptation to the polish ways is a must, and if you are looking towards Poland do not be afraid to open up and accept the nation´s slight differences. Once companies do that, they will reap the benefits of a country with a world of opportunities.

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