

Warsaw, 10 January 2023

Nearly 14,000 Ukrainian firms were established in Poland from January to September 2022

Since the beginning of Russia's invasion of Ukraine, more than 1 million refugees have found refuge in Poland. It has been reflected in the setting up of new undertakings in Poland. 3,600 companies with Ukrainian capital and 10,200 Ukrainian sole proprietorships were established between January and September 2022. 75 per cent of the businesses surveyed started operating in Poland because their founders needed to earn money to support themselves and their families. At the same time, 66 per cent of them declared that they would continue to operate in Poland regardless of the situation in Ukraine. Those are the conclusions to be drawn from the report of the Polish Economic Institute entitled 'Ukrainian companies in Poland since the start of the war in 2022'.

An increasing number of companies with Ukrainian capital in Poland

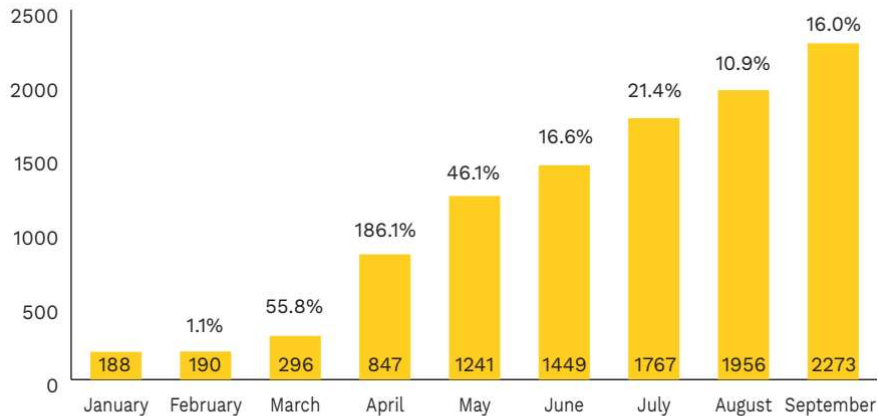
At present, there are 24,100 companies with Ukrainian capital operating in Poland; that is, 25 per cent of all companies with foreign capital. According to the available data, 2022 could be a record year in terms of the number of companies with Ukrainian capital registered. In the first three quarters of 2022, as many as 3,600 entities were established.

'Between January and September 2022, as many as 45 per cent of newly registered companies with foreign capital were entities with Ukrainian capital, at the same time accounting for 7 per cent of all companies registered in Poland, both those with Polish and foreign capital. Most of them are active in retail (22 per cent), construction (19 per cent) and transport and warehousing (14 per cent)', points out Katarzyna Dębkowska, the Economic Foresight Team Leader.

Ukrainian citizens mainly set up sole proprietorships

Sole proprietorships are the predominant form for Ukrainian citizens to carry out economic activities in Poland. A total of 10,207 such businesses were established from January to September 2022. The sharpest m-o-m increase in the number of active sole proprietorships starting operations was in April when it almost tripled compared to March. As at the end of the third quarter of 2022, the number of Ukrainian firms entered in the Central Register and Information on Business (CEIDG) was nearly twelve times the figure for February.

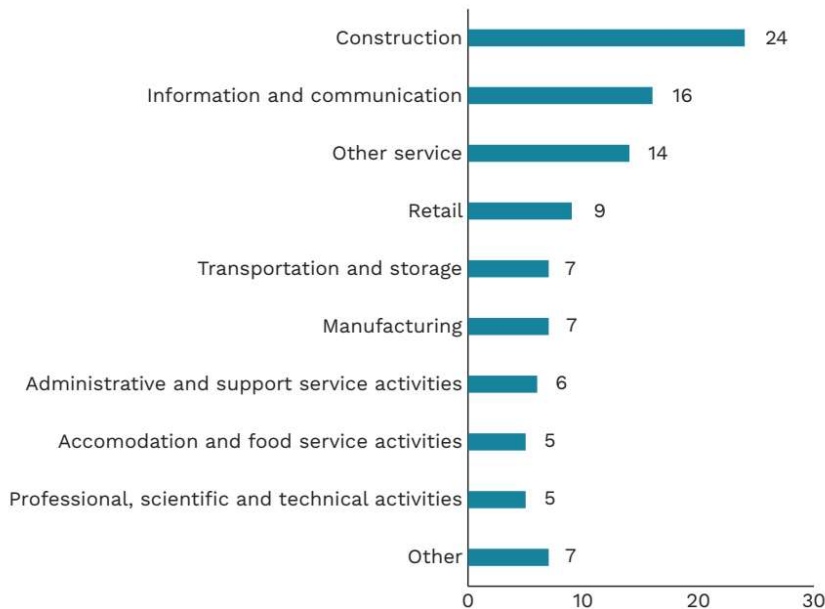
Chart 3. Number of Ukrainian sole proprietorships in Poland established between January and September 2022 and growth month on month



Source: prepared by PEI based on CEIDG data.

'The number of sole proprietorships established by Ukrainian citizens soared on a monthly basis in 2022. The sharpest surge occurred in the first weeks after the start of Russia's invasion – in April 2022, there were already 4.5 times more such firms in the Polish market than in January. In September 2022, their number was 2.6 times the figure for April. Most businesses operate in construction (24 per cent), information and communication (16 per cent) and services (14 per cent). It is also worth noting that women own 41 per cent of Ukrainian sole proprietorships', says Anna Szymańska, an analyst of the Economic Foresight Team at the PEI.

Chart 5. New Ukrainian sole proprietorships in Poland in January-September 2022 according to sector (%)



Source: prepared by PEI based on CEIDG data.

Most Ukrainian firms are here to stay

According to the PEI's survey, for 75 per cent of respondents the strongest motive for starting a business in Poland was the need to earn money to support themselves and their families. The second-most cited motive was cultural closeness and easier communication in terms of language than in other countries (63 per cent).

As indicated by 66 per cent of respondents, they will continue to operate in Poland regardless of the situation in Ukraine. A mere 4 per cent of the firms surveyed intend to wind up operations in Poland and return to Ukraine as soon as the situation allows. The businesses most likely to remain in Poland are those active in other services (43 per cent), construction (17 per cent) and information and communication (13 per cent). The entrepreneurs planning to return to Ukraine represent the IT sector.

'The end of the war will not mean the mass closure or return of these firms to Ukraine. Although 40 per cent of Ukrainian companies consider the lack of experience to be a barrier to running a business in Poland, the majority of those surveyed intend to continue their economic activities in Poland, developing cooperation with Polish partners. Ukrainian entrepreneurs also wish to participate in the post-war reconstruction of Ukraine', points out Katarzyna Dębkowska.

The Polish Economic Institute is a public economic think-tank dating back to 1928. Its research primarily spans macroeconomics, energy and climate, the world economy, economic foresight, the digital economy and behavioural economics. The Institute provides reports, analyses and recommendations for key areas of the economy and social life in Poland, taking into account the international situation.

Media contact:

Ewa Balicka-Sawiak

Press Spokesperson

T: 48 727 427 918

E: ewa.balicka@pie.net.pl