Poland

Steady growth launches a flourishing start-up sector

Poland has enjoyed steady economic growth for more than two decades — even while the rest of Europe faced financial crisis — resulting in a diverse economy and a thriving startup scene.

Poland has been mostly receptive to new business models, including ridesharing and short-term rentals, imposing few federal restrictions. However, recent changes to the tax code may lead to uncertainty for short-term rental hosts, and there has been speculation that restrictions on ridesharing services may be on the way. Drone rules in Poland are fairly flexible, but commercial operators must be licensed by the country's aviation authority. Testing of self-driving vehicles is not currently permitted.

A 2017 report from Startup Poland, an organization that represents Polish start-ups, sheds new light on the state of entrepreneurship in the country. The report found that the start-ups are clustered in a few areas: big data, analytics, the Internet of Things, developer tools and life sciences. Forty-four percent of the surveyed firms expected to work with foreign investors within six months, and 46 percent are partnering with academic institutions.

Although the share of highly-skilled workers and STEM graduates as a percentage of Poland's population is about average compared with other countries on the Scorecard, the trends seem to be going in the right direction. Women in Poland are entering STEM fields at an above-average rate, according to the OECD, and the country is making large investments in education at several levels.

Sources: (Reuters) (Rzeczpospolita) (Reuters) (Świat Dronów) (Startup Poland) (OECD)

WHAT DID WE DO RIGHT?

Poland allows recreational drone users and licensed commercial operators to operate freely, as long as their devices meet size and location requirements.

WHAT CAN WE DO BETTER NEXT YEAR?

Poland can reform traffic and civil liability laws to permit self-driving vehicles.

Diversity	C
Freedom	B
Broadband	B
Human Capital	B-
Tax Friendliness	B
R&D Investment	C+
Entrepreneurial Activity	C
Drones	B
Ridesharing	A
Short-Term Rentals	B
Self-Driving Vehicles	F
Environment	C+

Human Capital

More than a quarter of all degrees awarded in Poland go to STEM graduates, and the country's workforce boasts an above-average share of highly-skilled workers.

Drones

Recreational drones under a certain weight can fly without permits, but Polish rules impose permitting and line-of-sight requirements for commercial operation.

Broadband

Average internet speeds of 11.1 mbps put the country behind others, but average monthly costs of less than $14 make broadband connections more affordable.

Short-Term Rentals

Changes in how short-term rentals are regulated have created some uncertainty for hosts, but the platforms are otherwise operational.

WARSAW

Known for years as a city with a friendly business climate, Warsaw is extending that friendliness to entrepreneurs and tech innovators.

The Polish capital hosts one of six Google campuses aimed at fostering entrepreneurs, joining a network that now includes London, Madrid, São Paulo, Seoul and Tel Aviv. The program offers collaboration and mentorship opportunities on each campus, as well as throughout Google's worldwide network.

The city as a whole has embraced the Internet of Things through the Virtual Warsaw project, which uses beacon technology to aid the visually impaired around the Polish capital.

Originally developed as a way to help visually impaired visitors navigate municipal offices, Virtual Warsaw has grown to a citywide endeavor to use thousands of beacons that will communicate with a users' smartphones, enabling them to navigate city streets.

The same beacons can be used to help everyday residents and visitors use public transit or find local attractions. The plan won an award from the Bloomberg Philanthropies Mayors Challenge competition in 2014.

Sources: (Google Campus) (ZDNet) (Bloomberg) (OECD)

Originally developed as plan to help people with visual impairments navigate their way around municipal buildings, Virtual Warsaw has since ballooned into a citywide endeavor using thousands of beacons to communicate with visitors' smartphones and help them make their way around the Polish Capital.