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## **Firms want to do business with municipalities, rather than just sponsor them**

**Municipalities and businesses must work together in order to develop – is the key conclusion of a debate on interrelations between local governments and the business community, held as part of the 8th Investment Forum in Tarnów.**

The event, with Grupa Azoty as its strategic partner, has again provided a platform for sharing experience and holding discussions on the progress of investment in Poland. Firms are increasingly signalling to local governments that they no longer want to be just sponsors of culture and sports. They expect their involvement to extend beyond sponsorship and want to do business with local government units. More often than not, however, municipalities are not prepared for joint business projects. This is why, as argued by experts participating in the Investment Forum's debate on the importance of business and its role in local communities, public-private partnerships in Poland are still a tiny proportion compared with projects implemented under this model across Europe. Representatives of the business community urged local leaders to start by forging partnerships with locally based industrial firms in optimising the use of power and water-supply infrastructure.

During the debate Witold Szczypiński, Vice-President of the Grupa Azoty Management Board, said that dialogue with local governments on business cooperation remains open. "We are yet to work out model standards in this area. So far, our cooperation has largely been limited to sponsorship. Of course, as a company with solid financial results, we can afford to spend more on interesting projects," said Mr Szczypiński. Wojciech Żurawski, a journalist with Reuters, believes that the relationship between business and a local community is best measured by the level of investment. "In regions with robust investment levels, local governments are considered to be doing a good job, while in regions where investment is scarce the local authorities are thought to lack the knowledge and skill necessary to attract business."

"Local government leaders affirm that collaboration with companies operating in their regions is a must – we inhabit the same environment, and we strive for the relationship between local administration and the private sector to be that of partners. Grupa Azoty of Tarnów is our key partner, and a company strongly rooted in our city. It gives jobs to some 4,000 people out of the city's total workforce of 60,000. We work together on various investment projects, taking care to ensure they benefit both the local communities and the environment," emphasised Tarnów Mayor Roman Ciepiela. Kędzierzyn-Koźle County Governor Małgorzata Tudaj shared this view, arguing that cooperation between local authorities and industrial companies was indispensable and beneficial to both parties. "I strongly believe that by jointly supporting education and culture, we build our region's identity together."

The Investment Forum in Tarnów attracted an audience of some 300, including investors from Poland and the

wider CEE region, as well as members of governments and parliaments responsible for privatisation processes in Central Europe.