

English summaries

Chinese investments in Polish electric mobility

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Electric mobility is an important element in the process of establishing a technologically advanced industrial base in Poland. Its development is included in the top national plans and policies adopted by the current Polish government. The main goal is to position Poland as one of the leading countries in the e-mobility solutions with the localised manufacturing chains. Polish authorities want to attract these foreign investors who would be equipped with advanced technologies, know-how and sufficient resources to significantly participate in the development of the modern electric mobility sector. The largest foreign investment in the field implemented in Poland is a factory established by the Korean company LG, but Chinese companies are also interested in establishing manufacturing facilities on the Polish territory. Some have already taken positive decisions and have made first moves to implement their investments.

Jiangsu Guotai Huarong International (GTHR) has established through its subsidiaries a company in Poland to build an electrolyte factory in Godzikowice near Oława. The investment value could reach 39 million euro and the annual capacity of the new facility should reach 40 thousand tones, which is enough to manufacture around 1 million batteries for electric cars. Another Chinese company Capchem is also planning to invest in Godzikowice by establishing a factory for manufacturing electrolyte, NMP and conductive paste. The total investment value could reach 360 million yuan (over 47 million euro), with 280 million yuan (37 million euro) invested in fixed assets. Bafang, the Chinese manufacturer of components and complete solutions for electric scooters and electric bikes, has also announced a plan to establish a manufacturing facility near Wrocław worth 15 million euro. Attracting those investors is a significant success of Polish authorities. However, it should be noted that Poland lost competition over the much larger investment of the Contemporary Ampere Technology Co., Limited (CATL). The offer of the German local government and its German partners (mainly BMW) turned out to be more attractive in terms of incentives, co-funding and physical distance to the manufacturing facilities of the buyers of CATL products.

Chinese investments that create new jobs, implement advanced technologies, bring the know-how and help to diversify the portfolio of investors in specific industries should be welcomed and supported. GTHR, Capchem and Bafang investments, if developed as planned, can be a positive element in the development of economic cooperation between China and Poland. Chinese authorities have been supporting development of the e-mobility sector for years. Chinese enterprises successfully compete with the Korean and Japanese companies as a manufacturers of components for electric cars. Chinese brands enter foreign markets. The value and the scope of Chinese investments in Polish e-mobility sector is far smaller than the LG investment or the new factory established by the Belgian firm Umicore. It is not very likely for Chinese investors to implement a vertical integration in the near future and their impact on the overall competitive landscape of the Polish e-mobility will be rather positive. It should be noted, however, that combined investments of GTHR and Capchem, if implemented, will hold a very strong position in electrolyte manufacturing in Poland, with large battery manufacturers such as LG Chem's new facility among the supposed buyers.

The Chinese investments in the car-making facilities should be approached with caution, however. The establishment of facilities that comprise mainly of assembling lines for components imported from China will not bring much value for the development of the Polish industry, just like the failed Great Wall investment in an assembling facility have not brought much benefit for Bulgaria. The positive examples from other industries, such as Liu Gong's takeover of the Huta Stalowa Wola (a steel plant in Poland), show that Chinese investors can successfully maintain the localised production. The support and incentives for the Chinese investors in electric mobility sector should be evaluated case by case with investors background, capabilities and investment plans taken into consideration.

Huawei's continued international problems and its implications for Poland

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Controversies surrounding Huawei's cooperation with governments of various countries continue to grow. Increased numbers of European countries (e.g. Denmark, Norway and Lithuania) have begun to investigate the implications of their ties with Huawei, both when it