

GMINA ŁUKÓW



Investment opportunities for the Łuków Municipality

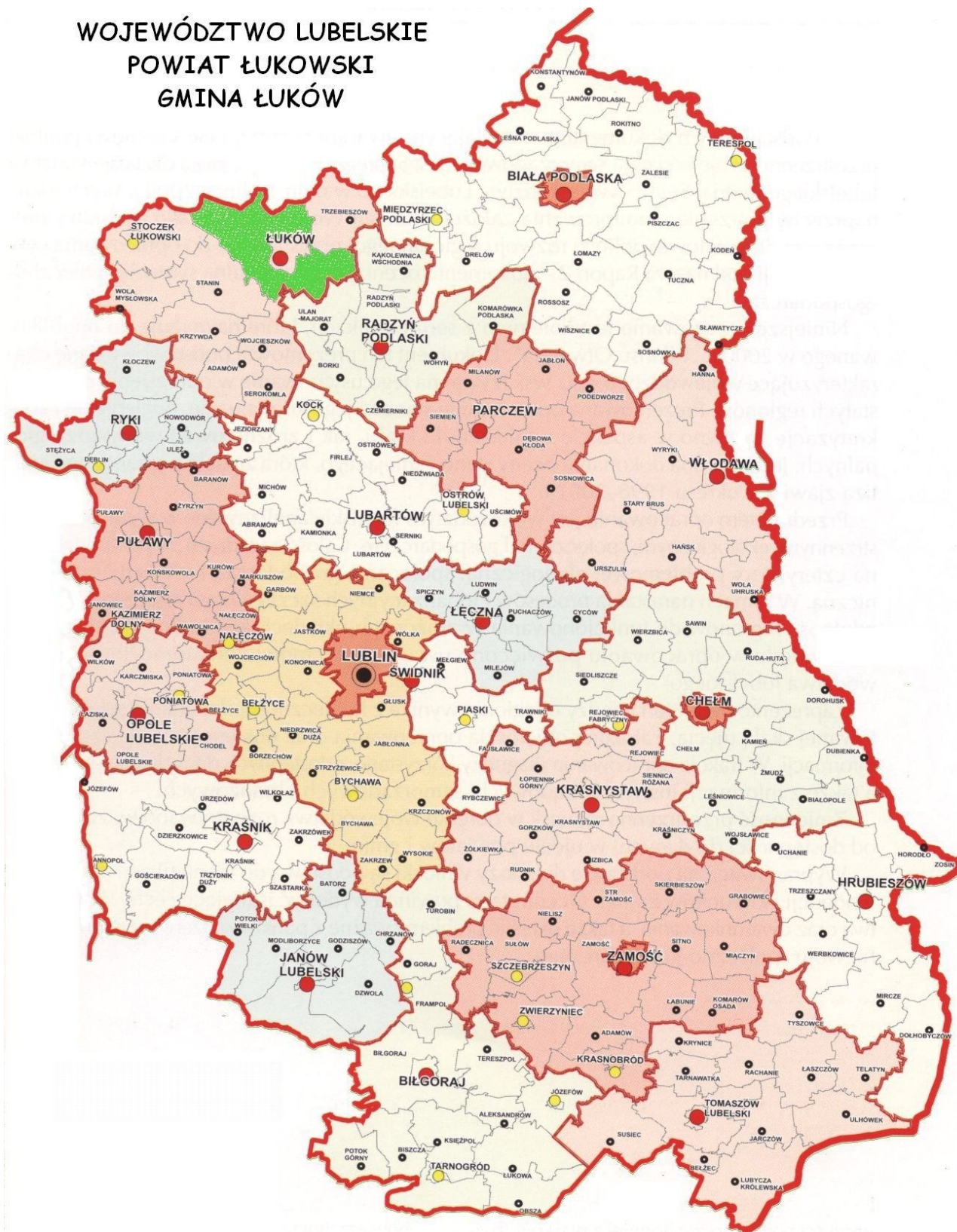
Łuków Municipality (Gmina) / **Łuków** District (Powiat) / **LUBELSKIE** Province
(Województwo)

Prepared by: *Łuków* Municipality

Łuków, 30 December 2022

Information about the municipality

WOJEWÓDZTWO LUBELSKIE
POWIAT ŁUKOWSKI
GMINA ŁUKÓW



Introduction to the investment opportunity

The Łuków municipality is located in the north-western part of the Lubelskie province and is part of the Łuków district, covering an area of 308 km² (22% of the district area and 1.2% of the province area). The municipality comprises 36 village administration units. Łuków is an agricultural municipality - with more than half its area covered by agricultural land. The most valuable natural aspects of the municipality are its forests, which take up 33% of the municipality's total area. Most of these are part of a protected landscape area, with three forest nature reserves and one geological reserve - Kra Jurajska, where ammonites are protected.

The municipality authorities have for years been taking measures to ensure proper conditions for investments and the economic development of the municipality, including the identification of areas for commercial and industrial ventures in the spatial development plan, as well as the establishment in 2007 of the Łuków Subzone as part of the Tarnobrzeg Special Economic Zone EURO-PARK WISŁOSAN and its development. The total area of the zone is 27.32 ha. Another measure to attract entrepreneurs are low tax rates and property tax exemptions for investors creating new jobs. The convenient location of the municipality, on the Warsaw-Terespol route, in close proximity to transport routes, as well as the well-developed road infrastructure, all help to attract new investments.

1.1 Demography and the labour market in the municipality

Location: Łuków Municipality, Łuków District

Total area: 308 km²

Population (district/municipality): Łuków Municipality:
18 467 people
(as of 30/09/2022)

Population density (district/municipality): municipality,
121.78 people/km²

GDP (Poland and Lubelskie Province):

Poland - 17,999.91 USD per capita (2021)
Lubelskie Province - GDP per
resident of the Lubelskie Province in 2020
amounted to 42,370 PLN.

Inflation: 17.4% as of 30/11/2022

Average monthly wages and salaries (Lubelskie Province/Łuków District/Łuków Municipality): no data
for Lubelskie Province - 5,069.14, Łuków District - 4,562.15,
Łuków Municipality - 4,562.15

Unemployment rate (Lubelskie Province/Łuków District/Łuków Municipality): Łuków District (as of
30/06/2022) - 3.7

Taxes: CIT; PIT; VAT; RET

CIT - 19% of the tax base. 9% of the income (revenue) tax base, excluding income from capital gains of small business taxpayers and start-ups (%)

PIT - 12% up to 120,000 PLN - deductible part, 10,800 PLN + 32% of the excess over 120,000 PLN

VAT – 23% . In cases provided for by law, reduced rates apply: 0%, 5% and 8%.

RET - real estate tax 0.68 PLN per square metre, for land 0.68 PLN per square metre, buildings used for conducting a business activity 15.52 PLN per square metre, other buildings 4.07 PLN per square metre. In 2023, taxes will be increased by 9%.

1.2. Transport accessibility

Brief description of the municipality and its transport accessibility (map and description in points)

(Map of transport connections based on GDDKiA map of the province, location marked on the map <https://www.gov.pl/web/gddkia/mapa-stanu-budowy-drog3?graphicName=wojew%C3%B3dztwo+lubelskie>)



Transport infrastructure

Airports

(nearest airport - distance, travel time, number of connections and passengers)

Lublin – 120 km, 1.5 h, Warszawa – 120 km, 1.5 h

Roads

(road connections - distance to motorway/expressway, national roads)

National road no. 63, distance 2.3 km

National roads traversing the Łuków municipality:

- No. 63: Siedlce – Łuków – Radzyń Podlaski
- No. 76: Garwolin – Stoczek Łukowski – Łuków

Provincial roads traversing the Łuków municipality:

- No. 806: Łuków – Trzebieszów – Międzyrzec Podlaski

- No. 807: Żelechów – Stanin – Łuków
- No. 808: Łuków – Wojcieszków – Serokomla

Railways

(railway connections, nearest railway station)

Łuków – 7.6 km

The Łuków municipality is traversed by the most important trans-European railway trunk route: Lisbon-Berlin-Warsaw-Moscow-Vladivostok, connecting Eastern and Western Europe. Five railway routes (Terespol, Siedlce, Deblin, Pilawa and Lublin) intersect at the Łuków railway junction.

Public transport

(public transport connections)

PKS S.A. bus line in Łuków

Łuków – Klimki – Grzędówka

Technical/broadband infrastructure

(description in points, e.g. sewerage connections, sewage and waste disposal, water supply, power grid, telecommunications including broadband internet connectivity)

Access to the following utilities is provided:

- sewerage network (available from 2023),
- water supply network,
- power grid,
- telecommunications network, including broadband Internet connectivity (provided by local operators),
- municipal waste collection system organised by the municipality.

1.3. Education

Data on education and access to human resources

Information on the educational offer, including foreign-language schools, if any.

There are 12 primary schools (grades 1-6), and one branch school (grades 1-3) in the area of Łuków municipality. There are no foreign-language schools in the municipality, but all kindergartens and the nursery school are covered by the Bilingual Future programme, as part of which children are taught English.

Vocational education - trade schools and technical schools

Number of vocational schools (in the district and municipality): 5

Number of students enrolled in vocational schools (in the district and municipality):
no data

Structure of vocational education by field of study:

(data on the sectoral structure of vocational education in the district and municipality, e.g. in the form of a chart or list)

(information on vocational schools in the district and municipality - names, logos, fields of study)

Henryk Sienkiewicz School Complex No. 1 in Łuków + I level trade school	A. Świętochowski School Complex No. 2 in Łuków Secondary School for Adults + I level trade school	Wł. St. Reymont School Complex No. 3 in Łuków	T. Kościuszko Secondary School No. 1 in Łuków	John Paul II Secondary School No. 4 in Łuków
Mechanic technician, electrician, economist, mechatronics technician, vehicle mechanic, trader, software developer and IT technician	Specialist in hotel management, catering, renewable energy devices and systems, and nutrition	Specialist in freight forwarding, logistics, agribusiness, accounting, IT, nutrition and catering services, graphic designer and economist	Classes with extended curricula in humanities, management, medicine-related subjects, technical and technological subjects	Classes with extended curricula in mathematics - physics, biology - chemistry, Polish - history - English, and mathematics - geography

Higher education

Number of higher education institutions in the adjacent districts/province:

There are 16 higher education institutions in the Lubelskie province. The most important of these are: Lublin University of Technology, Maria Curie-Skłodowska University, John Paul II Catholic University of Lublin, University of Life Sciences, and Medical University.

A significant part of the local students take up studies at the nearby University of Natural Sciences and Humanities in Siedlce (Mazowieckie Province).





Number of students in adjacent districts/provinces: no data

Structure of higher education by field of study:

(data on the structure of higher education in the adjacent districts (by faculties), e.g. in the form of a chart or a list)

(information on higher education institutions in the district/province - names, logos, fields of study)

Maria Curie Skłodowska University in Lublin	College of Business and Administration in Łuków	University of Natural Sciences and Humanities in Siedlce	J. Korczak Post-Secondary Vocational Medical School in Łuków
Administration, political science, law, pre-school education, marketing, international relations, English studies, archaeology, biology,	Logistics, political science, management and sociology	Agroforestry, administration, data analysis, information security, national security, international security, internal security, nutrition	Specialist in podiatry, cosmetology, occupational therapy, massage therapy, pharmaceutical technician, health care assistant, and

chemistry, journalism, philosophy, economics, geography, spatial management, computer science, logistics, pedagogy, etc.		studies, biology, chemistry, history, computer science, logistics, mathematics, nursing, agriculture, law, etc.	caretaker of disabled persons
			

1.4. Major economic sectors

Description of the profile of the municipality, e.g. a tourism-oriented municipality, a municipality with long traditions in a given sector(s);

Description of the major sectors in the municipality's development strategy (i.e. those with the best conditions for development in the municipality);

There are approximately 900 businesses registered in the Łuków municipality. The principal form of business activity is sole proprietorship. The main industries include:

- construction services - mainly small and medium-sized enterprises, specialising in the provision of construction and interior finishing services for individual investors and institutions,
- international transport - due to the proximity of the municipality to the eastern border, transport is largely oriented towards eastern markets,
- light industry - characterised by highly qualified personnel, modern machinery resources and high quality products, which are gaining recognition on the domestic and foreign markets,
- agri-food processing, including meat processing - based on local raw materials and specialisations.

1.5. Living conditions and quality of life in the region

Major tourist attractions, culture, entertainment, recreation facilities and other social infrastructure, including. cinemas, theatres, museums, landscape and national parks, etc.

Information on leisure activities in the area;

Tourist attractions in the Łuków municipality:

- four nature reserves: Jata, Topór, Kra Jurajska and Las Wagramski
- Forest Recreation and Education Complex "Amonit", which comprises: an exhibition hall devoted to nature and geology and the AMONIT complex with hiking and educational trails, as well as a playground,
- lapidariums containing glacial erratic boulders as well as information boards on the specimens on display. They are additionally equipped with shelters, tables and benches, as well as bicycle racks. They have created in eight towns within the municipality: Biardy, Dminin, Krynka, Strzyżew, Suleje, Szczygły Górne, Ryżki and Zalesie,
- geocaching - a geoart, or a "trail" of geocaches called "In the land of the ammonite", has been developed in the Łuków municipality. Its route on the map resembles the shape of an ammonite,

- a reconstructed Home Army camp, which serves an educational and recreational function. It teaches about the local history of the Home Army partisan camp, which operated in Jata during the period of German occupation
- the Cycling Route of the Łuków Land in the Jata nature reserve.

Why is it worth investing in the municipality/district?

Assets of the municipality/district and its location, transport accessibility, intellectual potential, economic environment, quality of life, tourism potential, etc.

The Łuków municipality is located in the Lubelskie province, in the eastern part of Poland, near the border with Ukraine and Belarus. National roads traversing the Łuków municipality:

- No. 63: Siedlce – Łuków – Radzyń Podlaski
- No. 76: Garwolin – Stoczek Łukowski – Łuków

Provincial roads traversing the Łuków municipality:

- No. 806: Łuków – Trzebieszów – Międzyrzec Podlaski
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- No. 808: Łuków – Wojcieszków – Serokomla

The roads play an important transit role.

Selected major investors in the municipality/district

In the Łuków municipality: PryncyTeka, Stok-Rol, Łuksja, Agro-Top, Vivenge, and Jata-Trans.

Opinions of existing investors operating in the municipality or key entrepreneurs:

Mariola Krasnodębska, owner of the "Markop" road and civil engineering company, which has been operating in the Łuków municipality for years. *“Our partnership with the municipal authorities has been very smooth. For many years, the Łuków municipality has been conducive to the development of entrepreneurship, such as through relatively low taxes, which have been kept at the same level for several years, but also the assistance and advice provided by the mayor, members of the city council and local government employees. The Łuków municipality works not only with our company, but also uses the services of other proven companies that operate in the area. This is why the place attract new entrepreneurs.”*

Mariusz Cizio, President of the Management Board of MKL sp. z o.o. *“A number of factors have convinced us to invest in the Łuków municipality, including the professional partnership with the local authorities and representatives of the Łuków municipality and the Special Economic Zone, as well as the well-developed infrastructure for this type of investment. What matters is also the human resources potential of the region and the existing companies operating in the zone and the region with which we work. I am convinced it was a good decision and the investment will be successful.”*

Another successful example of an investment project is the one implemented by Vivenge, a company which operates a modern production facility on a plot of land in Gręzówka, purchased in 2014. *“The financial aspects were of course the deciding factor,”* notes Katarzyna Rudnicka, President of the Management Board of Vivenge Sp. z o.o. *“The Łuków municipality is located in the north-western part of Lubelskie, where the level of support for medium-sized enterprises, such as Vivenge, amounts to 60 per cent, which is 20 per cent more than in the Mazowieckie province, where we currently operate” (Vivenge has been operating in the Siedlce municipality since 1997).* It soon became clear that this was not the only form of assistance offered to investors in the Łuków municipality. *“We have*

noticed that the Łuków municipality has been taking care to ensure sufficient investment areas in its spatial development plan,” adds Katarzyna Rudnicka. “Plots of various sizes are available for purchase by potential investors. The local authorities are very committed to attracting investors and providing invaluable assistance to entrepreneurs implementing investment projects. Whatever problems we might encounter, these are dealt with by a "can do" attitude.”

Paweł Żuk - President of the Management Board of Centrum Medyczno-Diagnostyczne sp. z o. o. in Siedlce. *“The new investment is in line with the activities under the "Priorities for Regional Health Policy for the Lubelskie province”, approved on 12 July 2016 by the Provincial Governor, with a particular emphasis on strengthening the health care service sector for the elderly, chronically ill and those requiring palliative care, as well as reinforcing the role of community mental health services. The Health Care and Curative Institution in Krynka will ensure the continuity of health care services provided to senior citizens of the Łuków district and the Lubelskie province and will increase the possibility for taking up employment by their caregivers.”* Why was the institution established in the Łuków municipality? *“The Łuków municipality is a good place for new investments,” states Paweł Żuk. “The local authorities ensure conducive conditions for the development of entrepreneurship. The employees of the Municipal Office actively support the initiatives undertaken by investors with a view to driving the development of the region and improving the inhabitants' quality of life. Such an attitude is commendable. I would encourage anyone to work with the Łuków municipality.”*

Investment advantages of the region/municipality, based on available surveys, opinions of investors, local authorities or representatives of local government

“Including new investment areas in the Special Economic Zone will increase the investment attractiveness of the city and the Łuków municipality. It is also an opportunity to accelerate the development of the Łuków district and the entire Lubelskie province,” argued Rafał Baniak, Undersecretary of State at the Ministry of the Treasury, during the opening ceremony of the zone. It was him, who in 2012 presented the Council of Ministers with the project to extend the Tarnobrzeg Special Economic Zone to include the investment areas in Łuków. “Today it is our joint responsibility to encourage entrepreneurs to invest here. For my part, I declare that I will make every effort to keep this zone alive, so that we can launch new facilities, this time those which can generate new jobs,” emphasised Rafał Baniak. “It was our determination that led to the creation of the zone”.

“The subzone in Łazy was established in 2007, covering a total area of 27 hectares. The land is already largely developed and intended for industrial facilities. Such enterprises as Łuksja, Stok-Rol, Pryncy Teka, MK Marzena Kolanowska, Erdom, MKL, Nowa Piekarnia from Łuków and Mar-Bud have investments and land for investments here,” says Mariusz Osiak - Mayor of Łuków Municipality.

“The vast majority of the companies operating in the municipality are small, family-run businesses, but there is also a growing number of large companies based here, which employ up to several hundred people,” says Mariusz Osiak, Mayor of Łuków Municipality. “In most cases, these are enterprises established by external investors who have found our municipality an attractive place to run their business, but we also have family-run companies, which are successfully developing and systematically adding new job vacancies.”

Investing in the Łuków municipality has many advantages, which are boasted by local authorities. *“These include the location of the municipality on the route between Warsaw and Terespol, good road infrastructure, the existing spatial development plan and areas provided there for commercial and industrial ventures, low taxes and a well-trained and experienced staff assisting in all enquiries concerning the preparation of land for investment. Investors creating new jobs are also offered real estate tax exemption,”* said the mayor. His satisfaction at the development of the subzone and the municipality is all the greater as the local authorities perfectly understand how difficult it is to run one's own business. *“That is why I would like to thank all the investors for their decision to invest in our municipality. Your business activity helps our municipality to develop and improves the standard of living here.”*

Support for investors

Support measures

3.1. Investment incentives in Poland

(https://www.paih.gov.pl/strefa_inwestora/zachety_inwestycyjne)

Name, data and logo of the company managing the SEZ

Agencja Rozwoju Przemysłu S.A. Branch in Tarnobrzeg

Tarnobrzeg Special Economic Zone EURO-PARK WISŁOSAN

ul. Zakładowa 30, 39 – 400 Tarnobrzeg

3.2. 3.2 Investment incentives at the regional level

Information on regional institutions providing support for entrepreneurs and a link to their websites (e.g. science and technology parks and industrial parks or other regional partners);

TSSE EURO-PARK WISŁOSAN

<https://tsse.arp.pl>

Tax exemptions for investors:

- Two types:
 - on account of new investments (the maximum amount of public aid is calculated by multiplying the maximum aid level determined for the area in question by the eligible investment costs);
 - on account of employing a specific number of people in connection with new investments (the maximum amount of public aid is calculated by multiplying the maximum aid level determined for the area in question by the two-year labour costs of newly hired employees, including the costs of the gross salaries of such employees increased by obligatory contributions, such as social insurance contributions, borne by the entrepreneur from the day of hiring these employees).

Support under the Regional Operational Programme (including links to the websites of Marshal Offices, Regional Development Agency or other entities responsible for the implementation of the Regional Operational Programme).

<https://rpo.lubelskie.pl/>

<https://rpo.lubelskie.pl/dowiedz-sie-wiecej-o-programie/fundusze-europejskie-2021-2027/>

<https://rpo.lubelskie.pl/lawp/>

Information on regional support under the Investor Assistance Centre

Marshal's Office of Lubelskie Province in Lublin

Department of Economy and Entrepreneurship Support

Branch of the Investor and Exporter Assistance Centre

20-029 Lublin, ul. Artura Grottgera 4

Tel. 81 53 71 651 Fax 81 53 71 637

Email: gospodarka@lubelskie.pl

Amount of public aid in the region: %

Maximum aid level: 20-50% of investment outlays or 20-50% of two-year labour costs of newly hired employees (in the case of small/micro-business entrepreneurs, the indicator is increased by 20%, while in the case of medium-sized entrepreneurs, the indicator is increased by 10%).

Number of years of CIT exemption: under current law, 15 years

Minimum investment outlay threshold for CIT exemption: in mln PLN (according to the applicable law) depending on the size of the company

Company size	Industry sector	Modern services sector
Large	10 million PLN to 100 million PLN	500 thousand PLN to 5 million PLN
Medium-sized	2 million PLN to 20 million PLN	
Small	500 thousand PLN to 5 million PLN	
Micro-business	200 thousand PLN to 2 million PLN	

3.3. Support offered directly by the municipality/district

For example:

Assisting investors in necessary administrative and legal procedures at the municipal level;

Offering quick access to comprehensive information on the economic and legal aspects of the investment;

Providing comprehensive assistance in finding suitable locations, in line with the expectations of the investor, as well as partners and subcontractors;

Offering post-investment support for companies (also applies to companies already operating in the municipality by regular contact with them and assisting them with solving ongoing problems related to their business activity in the municipality).

Available support depending on the needs of the investor.

Other investment incentives: information on availability and conditions of real estate tax exemption/preferential tax rates, programmes offered by the labour office, etc.

Real estate tax exemptions - guaranteed by the resolution of the Łuków municipality Council of 2014 on the introduction of real estate tax exemptions in connection with the implementation of new investments, under which structures and buildings or their parts as well as land occupied for conducting business activity, on which new investments have been made and at least 3 new jobs have been created in connection with such an

investment, are exempted from real estate tax for a period of two years. The resolution constitutes a de minimis aid scheme.

Location offer - Information on the investment site

Attachment of site check list (SCL)

Attachments

Map, site plan, satellite images



Contact

Contact details/addresses of the entities/persons dealing with investors and the press office, with information on English language abilities.

Edyta Katarzyna Kuć - Municipality Promotion Inspector

tel. 25 798 24 39 ex. 139, 530 430 833

e-mail: kuc@lukow.ug.gov.pl

Monika Domańska – Inspector

tel. 25 798 24 39 ex. 123

e-mail: monika.domanska@lukow.ug.gov.pl

Working hours of staff dealing with investors

07.30 – 15.30