



# Augustów – the best place to live ...and invest!



Dear Sir or Madam,

I encourage you to invest in Augustów – a town surrounded by nine lakes and the vast Augustów Forest. Augustów is ranked 48<sup>th</sup> in Poland in terms of its area – 80.90 square km of land provides great opportunities for economic development among greenery, lakes and impeccable nature.

Augustów is the perfect place to enjoy a healthy lifestyle close to nature. Forest bike paths, excellent natural conditions for swimming, kayaking, water skiing, cross-country skiing and horse riding make Augustów a great place to live and relax. Each employee will be able to recuperate in proximity of forests and lakes – even the toughest day at work will be compensated by the charms of nature! Augustów is a region known as the green lungs of Poland – clean air and water in the lakes, pine and spruce forests, and rich deposits of therapeutic mud led to the granting of health resort status to Augustów in 1993.

As mayor of Augustów, I strive to create the best atmosphere for business development here. Low taxes, continuous development of technical and social infrastructure and a high education level are the priorities of my actions conducive to investors. Entrepreneurs who come here may count on complete support at every stage of the investment process – starting from the purchase of plots of land, through the development of infrastructure and obtaining necessary permits, to production start-up and recruitment.

Locating a business in Augustów is favourable due to its border location – the proximity to Lithuania and Belarus opens up the prospects of excellent cooperation with partners from the East. We care about good neighbourly relations and the building of infrastructure conducive to transnational cooperation.

Augustów is the best place to invest in Poland. Come to Augustów and see for yourself!

Mayor of Augustów  
Wojciech Walulik



# Augustów – location

Augustów is the capital of the Augustów district, located in the north-eastern part of the Podlaskie province.

The town's area is 80.90 km<sup>2</sup> and is surrounded by the Augustów Forest on three sides.

Augustów is located at the junction of national roads.

### Distances:

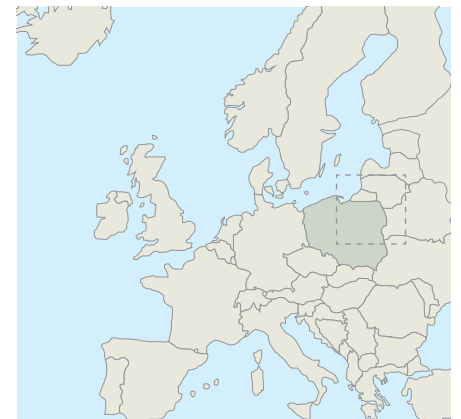
Augustów - Białystok: 80 km  
Augustów - Warsaw: 250 km  
Augustów - Grodno: 100 km  
Augustów - Vilnius: 200 km

### Nearest airports:

Kaunas - 150 km from Augustów  
Warsaw - 250 km from Augustów

### Waterways:

the Augustów Canal – connects the Vistula River basin with the Neman River.



## The Augustów Canal



The Augustów Canal is an outstanding work of Polish military engineering. It was built between 1823-1839, according to the design of general Ignacy Pradzyński. This cross-border technical monument is located in Poland and Belarus. Its total length is 103 km (80 km in Poland). In order to compensate for differences in water levels, 35 km of the Netta and Czarna Hańcza rivers were regulated, over 40 km of drifts, 18 locks and 23 dams regulating the water were constructed. In 2007, the Augustów Canal joined the List of Historical Monuments in Poland.



Augustów, due to its favourable natural conditions, has become a thriving center for boatbuilding. Three large boatyards currently operate here, producing laminate boats and yachts with cutting-edge technology. The offered products, thanks to high utility and aesthetic quality, are recognized brands both locally and abroad. Most boats produced in Augustów are exported.



## Economic potential

One of Europe's most modern **tobacco factories**, which is owned by British American Tobacco, also operates in Augustów. The town thrives on the **wood industry**. There are also other large manufacturing plants, e.g. the agricultural machinery manufacturer POM, or Augustowianka - a mineral water producer. A vast development potential is connected with the **hotel industry** - Augustów is annually visited by approx. 100 thousand tourists who prefer to spend their time on water: in kayaks, motorboats, or sailboats. The Augustów Canal connects the largest lake of the Augustów area: Lake Necko (an area of 400 ha; max. depth 25 m) Lake Rospuda (an area of 104 ha; max. depth 10.5 m), Lake Białe (an area of 476.6 ha; max. depth 30 m) and Lake Studzieniczne (an area of 251 ha; max. depth 30.5 m). The largest of the lakes is Lake Sajno (an area of 522 ha; max. depth 27 m). Augustów, due to its **health resort status**, also has a huge potential to open sanatoriums, retirement homes, or offer medical services. Certified, high-quality peat mud deposits are conducive to the cosmetological industry.

## Demographic potential

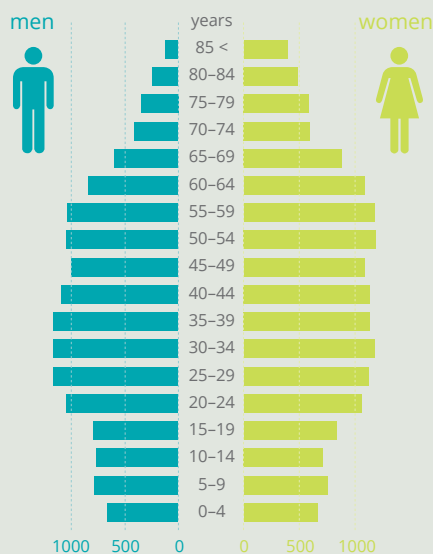
Augustów is populated by 30 thousand people – 63.5% of them are working-age population. The unemployment rate at the end of 2015 amounted to 15.7% of the working population. Most of the unemployed are in the age group 25-34.

### Education – Schools in Augustów:

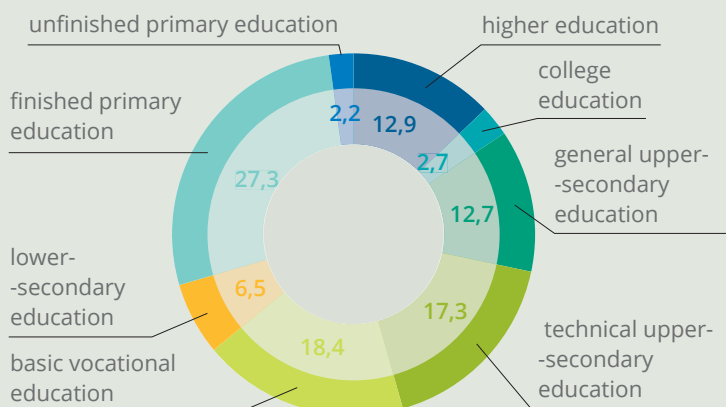
- 14 kindergartens (including 5 public)
- 6 primary schools,
- 5 middle schools,
- 4 high schools:
  - 2 secondary schools of general education,
  - the Augustów Education Center offering faculties of technician in equipment and renewable energy systems, construction technician, information technology technician, mechatronics technician, building and finishing works in construction fitter,
  - Technical School Complex, which educates in the professions of mechanic, and machinery and equipment fitter.



### Population



### The level of education



# Tax incentives for investors

Augustów is supportive to investors by offering a number of tax exemptions within the *de minimis* aid:

## Exemption from property tax for newly built properties

- reconstruction, extension, superstructure of buildings or structures
- tax exemption for 1 year
- the condition is to conduct business for a minimum of the 2 following years

## The lowest tax rates in Poland on motor vehicles

Following the resolution adopted in December 2015, a very low tax on motor vehicles increases the competitiveness of companies in the transport sector conducting their businesses in Augustów. Given the fact that the amount of third-party liability premiums paid in Podlaskie is among the lowest in Poland, for many transportation companies Augustów is an ideal location

## Special economic zone in Augustów

Augustów is trying to incorporate 20 ha of investment area located between the National Road 61 (direction: Warsaw) and National Road 8 (direction: Białystok) into the Suwałki Special Economic Zone (SSEZ). The Suwałki Special Economic Zone offers the highest public aid in Poland, granted in the form of exemption from income tax on:

- the costs of new investment or
- the costs of new jobs.

Exemption from property tax for newly launched business

2 years, with at least 5 employees

3 years, with at least 15 employees

4 years, with at least 25 employees

Employment must be maintained throughout the period of tax exemption

to conduct their business. For trucks with a GVW over 5.5 tonnes to 9 tonnes inclusive, Augustów offers some of the lowest rates in Poland, i.e. PLN 280 per year (regardless of the age of the vehicle). Lower tax rates also apply to other types of vehicles registered in the town of Augustów.

The amount of public aid in the case of investments in the SSEZ is:

- 50% for large businesses,
- 60% for medium-sized businesses,
- 70% for small businesses.

**Example:** If the costs of the enterprise amount to PLN 10 million, the investor may be able to reclaim even up to PLN 7 million due to the income tax exemption.

# Why should you invest in Augustów?

- the best place to live for your employees, surrounded by clean lakes and green forests
- low taxes
- authorities open for cooperation
- a high level of education
- family-friendly social infrastructure (nurseries, kindergartens)



- its cross-border location – proximity to eastern markets (Lithuania, Belarus)
- good conditions for business development – well located investment areas
- support of the District Employment Agency in upskilling employees
- attractive leisure activities

# Investment areas in Augustów



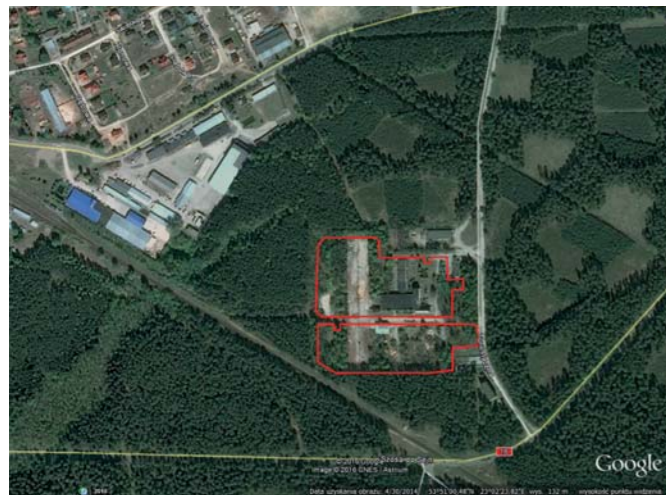
FULL NAME OF THE ESTATE

**Area on Nad Netta Street  
plot no. 2842/2**

TYPE undeveloped  
AREA 8.5889 ha

**LOCAL ZONING PLAN** Development of tourism services, non-burdensome, particularly related to sports and recreation, fields and sports facilities. Greenery, a public beach.  
**SOIL CLASS** Wasteland, grassland  
**PROXIMITY** Area in the immediate location of the Netta river water intake to Lake Necko and lake water. Housing development in close proximity. Access to area by local road – Nad Netta Street, which connects with Mostowa Street through Nadrzeczna Street.  
**CURRENT DEVELOPMENT** Area with trees and shrubs. Currently with a few holiday cabins.  
**BUILDINGS ON SITE** None  
**GROUNDWATER LEVEL** High

**GEOLOGICAL SURVEY** No  
**ELECTRICAL NETWORK** No. 10 m to the closest terminal  
**GAS NETWORK** No  
**WATER SEWAGE SYSTEM** No. 10 m to the closest terminal  
**HEATING NETWORK** No  
**TELECOMMUNICATION NETWORK** No. 10 m to the closest terminal  
**SANITARY SEWAGE** No. 10 m to the closest terminal  
**STORM WATER DRAINAGE** No



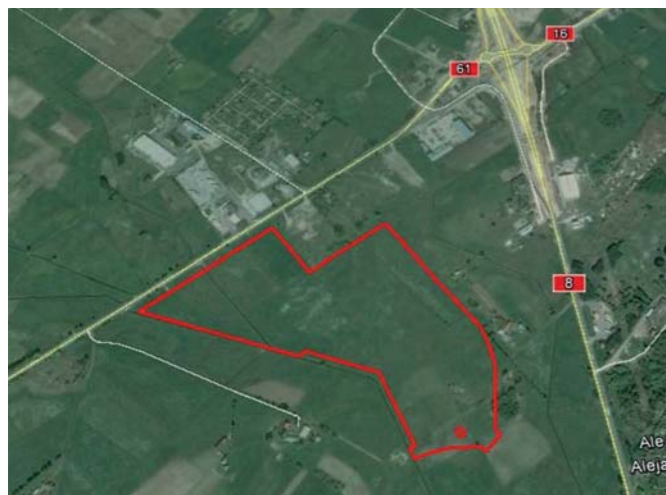
FULL NAME OF THE ESTATE

**Turystyczna Street  
(area of closed industrial plant – a brick factory)  
Plots no: 4005/35, 4005/36, 4005/37,  
4005/38**

TYPE developed  
AREA 4.5852 ha  
Sizes of particular plots:  
0.4378 ha  
0.4762 ha  
0.4750 ha  
0.4665 ha  
And others

**LOCAL ZONING PLAN** Housing estates in the form of apartment buildings functionally related with areas of residential and services buildings. It is possible to locate the multi-family housing function with the service function on ground floors of buildings. Approved non-burdensome services related to tourism or other non-burdensome services related to culture or education. Productive function allowed, with technology not interfering with housing development.  
**SOIL CLASS** Ba class – industrial development area  
**PROXIMITY** Area surrounded by forest. Lake Białe Augustowskie in close proximity. A multi-family block of flats nearby.  
**CURRENT DEVELOPMENT** Concrete road, work area, warehouse building, trees, garage, boiler house, processing areas, chute and transportation tunnel.

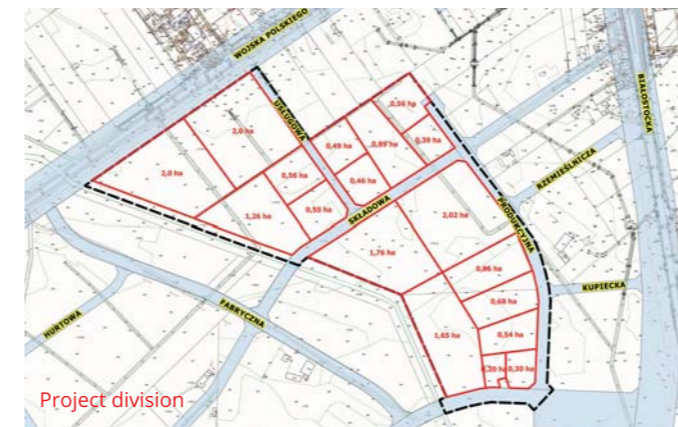
**BUILDINGS ON SITE** Buildings on site are desolate and are to be demolished.  
**GROUNDWATER LEVEL** N/A  
**GEOLOGICAL SURVEY** No  
**ELECTRICAL NETWORK** Yes, an LV terminal on site  
**GAS NETWORK** No  
**WATER SEWAGE SYSTEM** Yes  
**HEATING NETWORK** No  
**TELECOMMUNICATION NETWORK** Yes  
**SANITARY SEWAGE** Yes  
**STORM WATER DRAINAGE** Yes



FULL NAME OF THE ESTATE

**Investment areas  
on Wojska Polskiego Street  
Plots no: 717/1, 717/5, 717/9, 717/10, 717/13 and  
others**

TYPE undeveloped  
AREA Total: 20 ha  
Sizes of particular plots:  
2.9173 ha  
3.1123ha  
2.4082 ha  
2.4082 ha  
4.9470 ha  
And others (more on a map)



**LOCAL ZONING PLAN** Plots are designed for production areas, warehouses and depots, logistics centres and trade services.  
**SOIL CLASS** Grassland, pastures, ditches

**PROXIMITY** Fields and grassland. National road 8 – direction: Białystok. National road 61 – direction: Warsaw. Access road: 15.0 m.  
**CURRENT DEVELOPMENT** None  
**BUILDINGS ON SITE** None  
**GROUNDWATER LEVEL** 0.3-2.6 m under ground level  
**GEOLOGICAL SURVEY** Yes, excellent ground for development and buildings  
**ELECTRICAL NETWORK** No\*  
**GAS NETWORK** No\*  
**WATER SEWAGE SYSTEM** No\*  
**HEATING NETWORK** No  
**TELECOMMUNICATION NETWORK** No\*  
**SANITARY SEWAGE** No\*  
**STORM WATER DRAINAGE** – No\*

\* currently designed, scheduled execution 2016-2017