

INVESTMENT ATTRACTIVENESS OF OPOLE VOIVODESHIP IN THE CONTEXT OF INFLOW OF FOREIGN DIRECT INVESTMENTS

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Purpose: The aim of the article is to identify the spatial differentiation in the inflow of foreign capital to individual voivodeships, with a particular focus on Opole Voivodeship.

Design/methodology/approach: On the basis of data obtained from the Bank of Local Data (Chief Statistical Office, GUS), an analysis was conducted with reference to the spatial differentiation and its changes.

Findings: In the past three decades, the capital invested in the form of Direct Foreign Investments in Opole Voivodeship has displayed the following clear-cut characteristics: dominance of German capital, branch and spatial concentration, tendency toward consolidation of foreign ownership.

Research limitations/implications: The analyses of the spatial differentiation in the inflow of foreign capital are limited due to availability of statistical data.

Practical implications: The results can provide a useful suggestion as for further research and analyses relating to diversification of regional policies intended to make optimal use of socioeconomic and spatial factors.

Social implications: The results of the analysis of the spatial differentiation in the inflow of foreign capital support the conscious formation of the process of societal development in voivodeships within the framework of the general socioeconomic policy.

Originality/value: The analysis carried out can offer a starting point for further deepened studies on determinants of locating foreign investment in Opole Voivodeship.

Keywords: Foreign Direct Investments, location determinants, regional disparities.

Category of the paper: Research paper.

1. Introduction

Foreign Direct Investments (FDIs) are perceived as means of paving the way to enhancement of competitiveness of economies as well as achievement of a solid economic

growth (Crespo et al., 2004; Daszyńska et al., 2022, Ptaszyńska, 2015; Wyrwa, 2020). Poland is an investment attractive country, which fact is confirmed in the *World Investment Report* published annually by UNCTAD (UNCTAD, 2023). This is primarily owing to a favorable combination of traditional factors, such as: stable political and legal situation, absorptive internal market, dynamic economic development, great potential of the job market, considerable degree of development of the financial market, stability of exchange rates and low labor costs (Przychodzeń, 2012; Wyrwa, 2020).

Poland's investment attractiveness is strongly varied spatially in the context of inflow of foreign capital. The phenomenon of foreign capital allocation – so much desired from the point of view development of economy – overlaps with the interior mechanisms which differentiate competitiveness of individual areas. The transmission of foreign capital subjected almost exclusively to market mechanisms ultimately verifies the picture of competitiveness of these areas, directing the capital to regions of strong potential and developmental prospects. The changes going on in motives of selecting locations of FDI's justify the need for conducting continuous studies (Jaworek, Karaszewski, 2018).

The aim of the article is to identify the spatial differentiation of the inflow of foreign capital to individual voivodeships (provinces), with particular taking into account of Opole Voivodeship.

The following hypotheses were formulated:

- H1: Opole Voivodeship is characterized by a rather low attractiveness. The phenomenon is of relatively permanent nature.
- H2: The structure of the foreign capital in Opole Voivodeship corresponds to certain natural predispositions of economic cooperation of the region, determined by the base of raw materials, neighborhood factor, spatial nearness, intensity of private and institutional contacts as well as the specifics of the national character predominating in this region.
- H3: There is a progressing branch and spatial concentration of foreign capital in Opole Voivodeship.

2. Investment attractiveness of the region

The concept of investment attractiveness of a region means the ability to persuade investors to choose it as a place for their investment location (Gawlikowska-Hueckel, Umiński, 2000). The investment attractiveness of the given region depends on a combination of benefits that are possible to obtain in the course of developing and doing business activity (Kalinowski, Nowicki, 2005). Both economic geography and economy provide a broad spectrum of theories explaining concentration of business activity in the given point in space (Cieślak, 2005).

An analysis of the literature on the subject dealing with factors which condition taking decisions with regard to location of FDI shows a broad spectrum of such factors (Dunning, 2006; Wyrwa, 2019; Jaworek et al., 2018). Bretas et al. (2022) made a review of the literature on determinants of FDI. On the basis of results of a bibliometric analysis and analysis of the content, they identified five main research categories of attractiveness (Figure 1), that is: market conditions, entry conditions, institutional framework, resources offer and structure for FDI. The factors that influence the choice of location are strongly connected with economic (making use of resources) and psychological motivations of decision makers (avoiding bad conditions).

Market conditions Market size/growth Trade Open trade regimes Cultural proximity Demand	◀Sell more Market-seeking Efficiency-seeking Trade-supportive investment Finance- supportive investment Passive investment	Buy better▶ Resource-seeking Efficiency-seeking Trade-supportive investment Finance- supportive investment Passive investment	Market conditions Trade Open trade regimes Regional integration
Entry conditions Openness to FDI Agglomeration Entry barriers Distance			Entry conditions Openness to FDI Agglomeration Entry barriers Distance
Resources offer Low costs of production Low-cost labour			Resources offer Natural resources Low-cost labour Infrastructure
Institutional framework Governance and institutions Country risk Political regimes Corruption			Institutional framework Governance and institutions Country risk Political regimes Corruption
Structure for FGI Inflation Exchange rate/Interest rate Taxes Financial development Capital regulation			Structure for FGI Inflation Exchange rate/Interest rate Taxes Financial development Capital regulation
Resources offer Technological resources High-skilled labour Property rights protection Infrastructure Networks	◀Upgrade Strategic asset-seeking Management-supportive investment	Escape▶ Escape investment	Entry conditions Openness to FDI Entry barriers
Entry conditions Openness to FDI Agglomeration Entry barriers			Institutional framework Positive institutional distance Country risk Political regimes Corruption
Institutional framework Governance and institutions Country risk Political regimes Corruption			Structure for FGI Inflation Exchange rate/Interest rate Taxes Financial development Capital regulation
Structure for FGI Inflation Exchange rate/Interest rate Taxes Financial development Capital regulation			Structure for FGI Inflation Exchange rate/Interest rate Taxes Financial development Capital regulation

Figure 1. Conceptual framework of FDI attractiveness factors

Source: Bretas, Alon, Paltrinieri, Chawla, 2022, p. 487.

From the viewpoint of FDI location, the following determinants are of key significance: spatial distribution of production factors, production and trade area, technological capacities of the hosting country (modern technologies and high qualifications of the workforce), low prices of basic production factors, quality and capacity of production factors (including the workforce), size and absorptiveness of the market, infrastructure as well as costs of transport and communication (Gomółka et al., 2020; Żak, 2019; Zasadzki, Opalach, 2021; Jaworek, Karaszewski, 2018). Apart from these, a good climate created for foreign investments is also important (Table 1).

Table 1.
Classification of FDI location determinants

An institutional and legal framework			
<ul style="list-style-type: none"> • Economic, political and social stability • Rules regarding market entry and operations • Standards of treatment of foreign affiliates • Privatisation policy • Policies on functioning and structure of markets (competition and M&A policies) • Trade policy (tariffs, etc.) and taxation policy 			
Business facilitation			
<ul style="list-style-type: none"> • Investment promotion • Entrepreneurial incentives • Investment incentives • Protection of intellectual property rights • Social capital • Good institutional infrastructure and support (banking, legal, accountancy) • Non-business expenses (e.g. corruption costs) • Social amenities (quality of life, bilingual schools, free time activities) • Pre- and post-investment service 			
Economic determinants			
Market seeking (A) <ul style="list-style-type: none"> • Market size and per capita GDP • Market growth • Access to regional and global markets • Country specific consumer preferences • Structure of market 	Resource seeking (B) <ul style="list-style-type: none"> • Raw materials • Unskilled labour • Skilled labour • Strategic assets (e.g. brand) • Physical infrastructure (ports, roads, telecommunications) 	Efficiency seeking (C) <ul style="list-style-type: none"> • Cost of resources and capabilities listed under B adjusted for productivity of labour inputs • Other input costs, e.g. transport and communication costs to, from and within the host country • Membership of a regional integration agreement conducive to promoting networking 	Strategic asset seeking (D) <ul style="list-style-type: none"> • Quality of technological, managerial and other assets • Physical infrastructure (ports, roads, power grids, telecommunications) • Mindset of the institutions, policies oriented towards economic growth/development

Source: Jaworek, Kuczmarska, Kuzel, 2018, p. 155.

Undeniably, some of the above-mentioned determinants are uniform on the whole territory of a country; nevertheless, a part – as practice shows – do display signs of clear regional polarization, which translates into differentiation of benefits or losses for the investor. This concerns, among others, costs of labor, rates of local taxes, prices of estates. At the same time it needs observing that motives which are deciding as regards the choice of the region to locate FDI in Poland keep changing: in the 1990s, the fundamental importance was assigned

to labor costs, whereas nowadays qualitative traits (qualifications, workers' skills, etc.) are gaining significance (Jaworek, Karaszewski, 2018).

3. Methods

The aim of the article is to identify the spatial differentiation of the inflow of foreign capital into Poland's individual voivodeships, with particular focus on Opole Voivodeship. An analysis of the content of domestic and foreign literature was done alongside a statistical analysis of data obtained from the Local data Bank of the Chief Statistical Office (*Bank Danych Lokalnych*, GUS). Similarly, an analysis of spatial differentiation and its transformations in the years 2006-2022 was conducted. The spatial range of the study covers the 16 voivodeships of Poland due to the fact that the range of available data on business activities of entities with foreign capital, operating on lower levels of aggregation than voivodeships, is very limited. An important element of the conducted analyses are also graphic presentations which enable evaluation of the changes that were and are going on.

The research on irregularity of distribution, commenced at the beginning of the 20th century by C. Gini, M.O. Lorenz and V. Pareto, led to the development of many methods directed towards quantitative analysis of phenomena (Sudra, 2016; Jędrzejczak, 2023). In the present article, the Gini index and the Lorenz curve were used.

The former, applied to a numerical expression of irregular distribution, assumes values from the range [0; 1]. The index value of 0 indicates a full regularity of distribution, whereas a rise in the index value means an increase in the irregularity. The Lorenz curve serves to measure proportional occurrence of variable pairs. As regards geographical studies, one variable is the number of territorial units (e.g. voivodeships) and the other one – the phenomenon located within the units. The Lorenz curve delineates an accumulative series of a phenomenon concentration. At a proportional growth of characteristics the Lorenz curve is identical with the line of even distribution, which makes the diagonal of a square (then the value of the Gini index is 0).

4. Results

Poland is clearly not a uniform country as regards her investment attractiveness. Since the 1990s we have been able to observe preferences of spatial allocation of foreign capital. Table 2 presents the values of the Gini index for the years 2006, 2018 and 2023 (data on the number of commercial companies with foreign capital operating in individual voivodeships

were used here). A rise in the value of the Gini index in the examined period is visible, which points to the deepening inequalities: the higher the value of the index, the greater the degree of concentration of companies with foreign capital.

The Gini index is an aggregated indicator describing the general range of inequalities without any deeper insight into the distribution between the voivodeships. The Lorenz curves complement the analyses (Figure 2). In order to compare changes in the shape, the curves were plotted for the years 2006 and 2023. The Lorenz curves are located below the line of a uniform distribution.

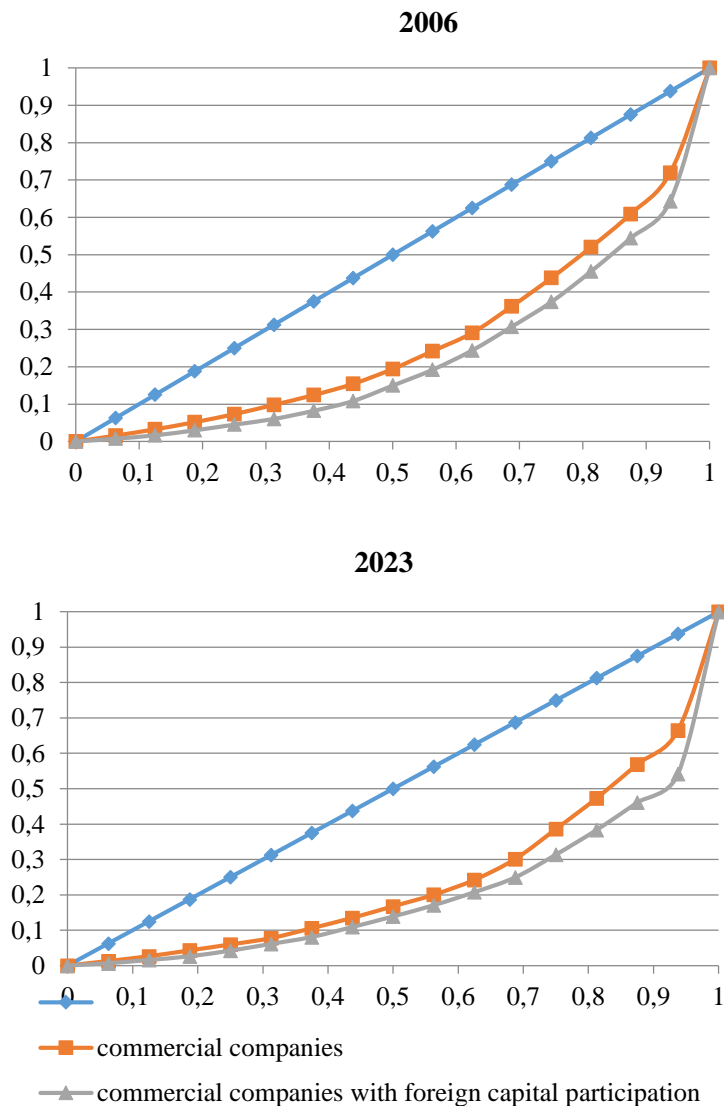


Figure 2. The Lorenz curves.

Source: own calculations based on Local Data Bank, Statistics Poland.

Table 2.
Inequalities measured by the Gini index

Year	Gini index (commercial companies)	Gini index (commercial companies with foreign capital participation)
2006	0.45	0.53
2018	0.50	0.57
2023	0.50	0.59

Source: own calculations based on Local Data Bank, Statistics Poland.

The application of the Lorenz curves allowed pointing to inequalities in the distribution of the number of companies with foreign capital in Poland as well as recognizing the voivodeships in which the concentration has taken place. Around 70% of the companies with foreign capital were based in four voivodeships: Mazovia (*mazowieckie*), Lower Silesia (*dolnośląskie*), Lesser Poland (*małopolskie*) and Greater Poland (*wielkopolskie*). The evident leader here is the Mazovian Voivodeship (about 50% of the companies with foreign capital operate in this province). The rise in the Gini index should be attributed to the moving of this voivodeship away from the others and – at the same time – a slight decrease in the number of companies with foreign capital based in the provinces with a low concentration of them.

The concentration concerns not only the number of the companies, but also the value of the capital. The four most attractive voivodeships (Mazovia, Lower Silesia, Silesia (*śląskie*) and Greater Poland) continuously concentrate over 70% of the invested foreign capital (Table 3). Again, the undisputed leader is the Mazovian Voivodeship (about 50% of the foreign capital located in the entities). In turn, the other voivodeships (Lower Silesia, Silesia and Greater Poland) absorb about 10% of the invested foreign capital each.

Table 3.
Share of foreign capital located in business subjects in a voivodeship in the whole value of this capital in Poland (in the years 2011-2022)

Voivodeship	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Dolnośląskie	9.09	8.98	8.57	8.02	8.28	8.32	8.62	8.49	10.16	10.37	10.20	10.32
Kujawsko-pomorskie	1.83	1.68	1.59	1.46	1.36	1.35	1.54	1.56	1.48	1.47	1.45	1.53
Lubelskie	0.75	0.70	0.70	0.75	0.77	0.89	0.91	1.02	0.91	0.89	0.82	0.79
Lubuskie	1.11	1.03	1.01	0.76	0.71	0.81	0.82	0.89	0.77	0.75	0.77	0.80
Łódzkie	2.88	2.71	2.60	2.55	2.52	2.58	2.60	2.90	2.70	2.66	2.67	2.60
Małopolskie	6.43	6.82	6.63	6.62	6.17	7.90	8.07	7.63	5.60	5.62	4.65	2.88
Mazowieckie	48.53	49.42	49.41	49.60	47.37	47.98	46.49	45.48	44.60	46.67	49.33	47.19
Opolskie	0.90	0.87	1.11	1.04	1.03	0.99	1.03	1.06	1.04	1.08	1.61	1.60
Podkarpackie	1.22	1.27	2.88	2.80	2.67	1.18	1.32	1.47	1.32	1.30	1.20	1.53
Podlaskie	0.27	0.31	0.34	0.20	0.22	0.26	0.25	0.35	0.42	0.38	0.39	0.29
Pomorskie	4.19	3.98	3.58	3.67	3.91	2.68	2.82	2.99	3.01	2.97	3.02	3.51
Śląskie	8.87	8.60	8.31	8.25	8.38	8.38	8.58	8.84	11.38	9.56	8.05	9.47
Świętokrzyskie	1.51	1.44	1.49	1.48	1.32	1.20	1.02	1.28	1.52	1.56	1.48	1.55
Warmińsko-mazurskie	0.94	0.87	0.79	0.77	0.72	0.72	0.70	0.71	0.67	0.68	0.73	0.74
Wielkopolskie	8.98	8.66	8.31	8.09	10.76	11.55	12.01	12.08	11.45	11.23	10.88	10.33
Zachodniopomorskie	2.48	2.67	2.70	3.92	3.82	3.21	3.21	3.26	2.97	2.83	2.76	4.87

Source: Local Data Bank, Statistics Poland.

Comparisons based on data in the framework of absolute values were complemented with an analysis of the intensity indicators – the number of business subjects with foreign capital per 10K inhabitants (Figure 4). The Mazovian Voivodeship clearly stands out of the other provinces regarding the number of companies with foreign capital, the number of subjects with foreign

capital per 10K inhabitants (Figure 4) as well as the share of foreign capital located in the subjects (Table 3).

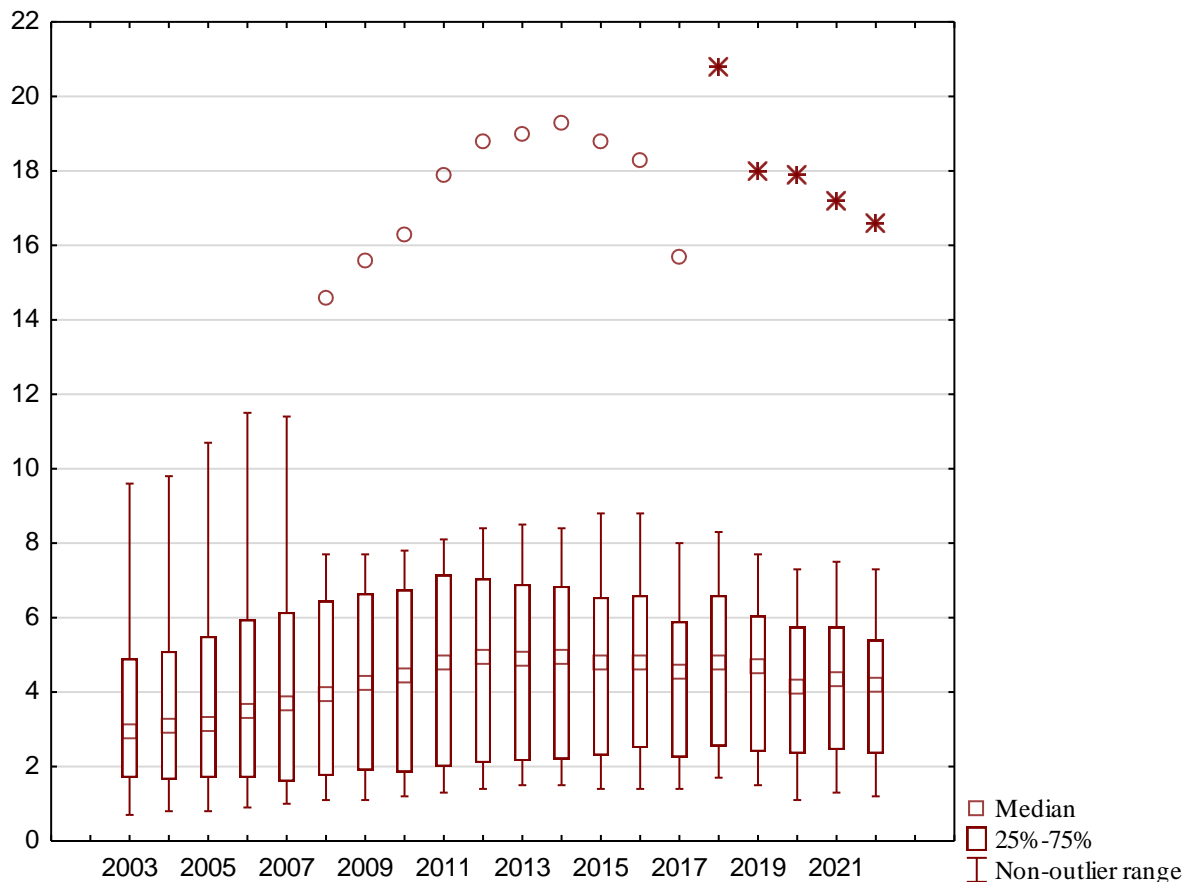


Figure 4. Number of subjects with foreign capital per 10K inhabitants.

Source: own calculations based on Local Data Bank, Statistics Poland.

Opole Silesia (*Śląsk Opolski*) is forced to fight for acquisition of foreign capital with the other voivodeships, especially with those neighboring directly on it, that is Silesia and Lower Silesia, which are very attractive in this respect. The location straight between the leaders does not mean that the region is at a disadvantage, since the neighboring also strengthens its attractiveness in the sense of the province's accessibility to absorbing markets and also as far as extension of Special Economic Zones onto its territory is concerned. During the whole period under analysis (2011-2022) Opole Voivodeship absorbed between 0.9 and 1.6 % of the foreign capital allocated in Polish economy (Table 3) and the number of subjects with foreign capital per 10K inhabitants oscillated within the limits of 3.6-5.0 (the values close to the median) (Figure 4).

5. Discussion

The application of the Lorenz curves (Figure 2) as well as the analysis of changes in the share of foreign capital located in subjects based in individual voivodeships in the total value of this capital in Poland (Table 3) allowed identifying in which voivodeships the concentration of foreign capital takes place. Referring to the first research hypothesis, it should be stated that Opole Voivodeship is characterized by a rather low attractiveness and that the phenomenon has a relatively stable nature.

The broad inflow of foreign capital invested in the form of FDI into Opole Voivodeship, analogous with the phenomenon observed in the scale of the whole country, followed after the start of the process of transformation and stability of the macroeconomic situation. The intensity of the inflow was influenced by the situation on world's markets, in particular in the mother countries of the investors who were the most active in the region.

A significant increase in the inflow of foreign capital, representing the strategy of solid presence of it in the economy of Opole Voivodeship, followed after 1992, in consequence of foreign investors' participation in the process of privatizing cement plants based in the region: "Odra", "Góraźdże", "Strzelce Opolskie". In 1993, 65% of the shares of "NZPT" [*Odra Company of Fat Production Industry*] – a most modern company specializing in production of plant fats, based in Brzeg, were sold to the American Capital Group Schooner Capital, and 51% of shares in the "Ovita" Company (manufacturer of, among others, chicory coffee, instant soups, vegetable-meat tinned food) went to the Dutch concern "Nutricia". Then, in the years 1996-1998, there were made three major investments in the region, this time of the "greenfield investment" character: roof tiles plant of Braas Company, company manufacturing Schiedel chimney systems (both companies belonging to German investors) and a plant of sanitary fittings and tapware owned by the Austrian investor "Kludi". Towards the end of the 1990s, two German concerns specializing in manufacture of plastic packaging, that is Nordenia Verpackungwerke GmbH and Bischof & Klein, began the construction of their production plants near Zdieszowice and in Walce near Krapkowice. The year 1999 saw another two investments completed in the food production branch (brownfield investments), based on buying off shares in domestic subjects: the German investor Zott GmbH – the leading manufacturer of milk desserts and processed milk products on the German market, purchased the production plant belonging to the District Milk Cooperative in Opole [*Okręgowa Spółdzielnia Mleczarska*] "Prima", while Bongrain – the French manufacturer of cheeses, bought shares in the private company dealing with processing milk, which was based in Głubczyce.

As far as the whole region is concerned, in the second decade of the transformation, large investments of foreign capital (over USD 1MM) of production character were made by the German concerns Rütgers AG and Berger Holding International GmbH in the area of

Kędzierzyn-Koźle. The former, specializing in processing coking bitumen, established the VFP company, whereas the latter, dealing with manufacture of metal constructions, completed the construction of a PLN 5.9MM-worth production hall in 2003. Another large direct investment in the region was accomplished by the Finnish corporation Matsa Tissue through purchasing shares in the paper-making plant based in Krapkowice. In 2005, the role of the first strategic investor in the Coke Production Plant in Zdzeszowice was played by the Mittal Steel Poland company belonging to the British investor of Indian origin (because of the fact that the seat of the investor is in Dąbrowa Górnicza, the Indian capital is not registered in Opole Voivodeship). In the same year, the German company VH Muhlen of Hamburg commenced the realization of an investment from scratch – construction of a grain elevator worth PLN 50MM, located in Stradunia, in Walce Commune, while the Italian concern Mercegaglia launched the construction of their production hall in Olesno County. In 2005, the British investor Cadbury Schweppes started one of the largest investments of the food processing branch in Poland – construction of a chewing gum factory in Skarbimierz, worth EUR 100MM. The year 2008 saw the start-up of the plant (Kania, 2007).

In 2010, the German concern Neapco Holdings LLC purchased the company manufacturing braking systems in Praszka. In 2014, there followed another three greenfield investments in the region: the company MM Systems (daughter company of the German company Muhr Metalltechnik) launched its manufacture of car parts in the plant in Kąty Opolskie, the American investor Polaris began production of terrain vehicles, the joint venture of the French company Stefano Toselli and Belgian Ter Bek, under the name of Pasta Food, commenced the production of cooled lasagna in their new plant. The year 2015 opened with two large-scale American investments in the motor greenfield industry branch, namely Tru-Flex and Global Steering Systems. Later, in 2017, the decision was taken by another two investors to build new plants, among them UFI Filters and Stefanini located in Opole and Hengst in Gogolin.

The company CEWE (with German capital) running its business activity in Opole Voivodeship since 1995, realized another large-scale investment worth PLN 20MM in the area of Kędzierzyn-Koźle in the years 2019-2021. As a result, an additional warehouse and production space of 6 thousand square meters has been available there. In 2020, the company MonoSol Poland dealing in the chemistry branch and representing international capital (American-Japanese) invested PLN 180MM in the area of Ujazd (production of biodegradable packaging), and the German company Krause made its PLN 2MM-worth investment in Gogolin in a plant manufacturing elements of mineral materials. In 2023, the company Trips Polska, representing German capital, invested PLN 20MM in the area of Krapkowice. In their new plant put up there, control cabinets designed to steer technological processes in cement plants (chemical industry) will be assembled. Cement production is one the leading and most characteristic branches in Opole Voivodeship.

Generally speaking, the third decade of the transformation has clearly been marked by a rise in investments of greenfield character, ones that make a completely new source of economic activity and generate a network of cooperation links. The drop in the brownfield investments, on the other hand, has resulted from exhaustion of the reservoir of subjects designed for privatizing in the region, primarily – a limited offer of potential private economic entities that could make attractive objects to be taken over or themselves being capable of entering into partnership as joint ventures.

The above-presented course of FDIs in Opole Voivodeship concerns a selected group of investors representing the highest capital outlays of the order of several hundred million PLN, which undoubtedly distinguishes them as the capital elite in the region. This most prominent foreign capital fraction in the economic landscape includes 72 subjects (2022), which accounts for 21.2% of the foreign companies operating in the Voivodeship.

It needs noting that not all of the investors who made foreign investments in the region have been successful. Some, not having achieved their set targets or having suffered losses, decided to withdraw their capital from Poland, their subsidiaries being taken over by other investors, most often foreign ones, or liquidated. This group includes, among others, the German company Gaz-Kom, which – after nine years of activity – declared bankruptcy, the American NZPT in Brzeg and the Korean Daewoo (The bankruptcy of the Opole branch of the Korean car manufacturer was a consequence of the concern's problems on the global market). The frequency of this type of investors' behavior occurring points to their evidently incidental nature, though.

The group of countries from which the most abundant stream of FDIs flowed into Poland includes Germany and the Netherlands (Table 4).

Table 4.

Structure of the FDIs in Opole Voivodeship in the years 2003-2022 according to the countries of their origin; foreign capital (in PLN million)

Country	2003	2005	2007	2009	2011	2013	2015	2017	2019	2020	2021	2022
Holandia	265.0	282.8	315.7	308.6	266.3	670.8	675.4	549.8	554.5	580.2	570.2	572.3
Francja	25.2	29.7	36.7	0.0	0.0	0.0	0.0	4.3	0.0	0.0	0.0	17.5
Niemcy	525.9	637.9	643.6	657.0	735.5	783.2	711.7	753.1	686.6	722.5	739.6	768.2
USA	120.0	64.8	20.5	0.0	-	-	0.0	21.6	-	-	-	-
Belgia	22.6	17.4	16.3	-	-	-	-	-	-	-	-	-
Wielka Brytania	1.0	-	1.4	0.0	0.0	31.2	32.8	31.6	0.0	0.0	-	-
Dania	14.3	9.8	-	-	-	-	-	-	-	-	0	10.0
Szwecja	1.6	-	-	-	2.1	0.0	5.0	2.0	-	-	-	-

Source: own calculations based on Local Data Bank, Statistics Poland.

From the very beginning, the most active group of investors – both as regards the number of established companies and the volume of the capital engaged in the region – were German investors, whose share in the foreign capital invested in Opole Voivodeship at the initial stage of the FDIs inflow in 1992 amounted to 84.4%. In the successive decades, there followed a significant reduction in the share: from 60% in 2005, through 37.3% in 2013, to 19.7% in

2022 in favor of international capital groups. Still, despite the drop, enterprises from Germany make the most numerous group of businesses in the region. At the opening stage, the information-related advantage of Germans limited their risk to a considerable extent. With time, however, American, Swiss or French investors – having been encouraged by the success of their German rivals – decided to allocate their capital in Opole Voivodeship, too.

The structure of the inflow of the foreign capital – whose main share falls on Germany – corresponds to certain natural predispositions of the economic cooperation in the region. It is determined by the factor of the countries' neighboring on each other, spatial nearness, intensity of private and institutional contacts, as well as the national composition of inhabitants of Opole Voivodeship. These elements create a favorable base for internationalization of German enterprises. In this way, the second research hypothesis has been confirmed. It also has to be remembered that the above-indicated specifics of the socio-national situation in the region proved a factor hampering allocation of especially large capital from this country in the initial phase of the transformation.

The research conducted by M. Bernat reveals a unique character of the region regarding the case of German branches. Here, we come to deal with a specific group of expats – executives representing German corporations, who are delegated to work in branches based in Opole Voivodeship and who declare to come from this region themselves. The phenomenon concerns, among others, the following companies: Ruetgers, MM System, Bischof and Klein. Such a unique situation of private ties certainly favors a stronger involvement of German corporations in the region's economy.

The structure of the inflow of foreign capital into the region, which is presented in Table 4, does not reflect ultimately the real state of things due to the occurrence of the so-called capital in transit. This relates to investments made by means of subjects of special purpose located outside the mother country in countries such as: the Netherlands, Cyprus, Luxemburg (Subjects of special purpose are established with the aim to optimize tax burdens in the framework of international capital groups). This phenomenon results in the fact that the registers of the hosting country feature the country of the main shareholder, therefore the seat of a dependent company. This situation concerns a certain group of foreign companies operating in Opole Voivodeship, including the largest in the region – Góraźdże Cement SA belonging to the German concern HeidelbergCement. The main shareholder of Góraźdże Cement SA is the dependent Dutch company CBR Baltic BV. This causes the investment of the German concern to be classified as Dutch one in the official evidence (PAIZ, 1998; PAIZ, 2004). A similar problem concerns the company Lesaffre Bio-Corporation, whose main shareholder is the Dutch company belonging to the French group Lesaffre.

A second significant phenomenon overlapping the structure of the inflowing capital is the very dynamic – in the global scale – process of international mergers and acquisitions (M&As). During the analyzed period of 1990-2022, foreign companies operating in Opole Voivodeship changed their owners due to such international dealings. Changes on the global arena of

international corporations typically find their reflection in the capital structures of foreign companies present in the region. For example, the German Corporation Schöller, possessing its production branch in Opole Voivodeship, was taken over in 2002 by the Swiss concern Nestle. In a similar way, in 2000, the German companies Braas and Schiedel were incorporated into the structures of the French concern Lafarge, then Monier. The German company Dr Melegy belonging to the German investor, was taken over by the American corporation Tower Automotiv, while the British corporation Cadbury, which in the years 2006-2008 realized the investment of the production plant near Brzeg, in 2010 was taken over by the concern Kraft Foods. In turn, on 1 October 2012, Kraft Foods Polska was made part of Mondelez International, Inc. The branch of the Dutch company Nutricia entered the structures of the French group Danone in 2010.

Investors locate their enterprises primarily in the central-eastern part of the Voivodeship. Regarding the production investments based on foreign capital in the region, one can distinguish four basic directions of the investment activity (thus, confirming the third research hypothesis):

- production of building materials,
- production of food articles,
- production of chemical and plastic goods,
- production of car parts and components.

The highest volume of the foreign capital in Opole Voivodeship is absorbed by the building materials industry, mainly due to privatization of cement plants based in the region, but also owing to the construction of new production objects by such west-European concerns as: Monier, Kludi or Norgips. It is worth reminding fact that the above-mentioned investors are leading manufacturers of building materials both in the domestic and European markets.

The second very clearcut direction of allocating the foreign capital in Opole Voivodeship is food production. A strong lobby of the food industry in the region includes the German Zott and Internsnack, French-Italian Pasta Food Company, Swiss Schöller/Nestle, Dutch Nutricia (Danone), French Bongrain, American OZD Continental and American Brewery Rayan Namysłów.

Another area of heightened investment activity of the foreign capital in Opole Voivodeship is the chemical branch. One of the first foreign enterprises representing this profile was the company with German capital Brenntag Stinnes Logistics in Kędzierzyn-Koźle. This direction of allocation of foreign capital connected with the chemical industry, typical of the central-eastern part of the region, was strengthened by investments of the following German concerns: Jokey Plastik, Bischof & Klein, Nordenia Verpackungwerke GmbH, manufacturer of photographic films CEWE, concern Rütgers AG, specializing in processing coking tar or Messer – the manufacturer and distributor of technical gases.

Still another, although relatively the youngest segment of the foreign capital inflow in the economy of the region is the motor branch. Even though, following the bankruptcy of the car producing plant in Nysa, belonging to the Korean concern Daewoo, this line of manufacture

was stopped in Opole Voivodeship, there are other enterprises with foreign capital representing the branch, which continue to operate in the region, namely Tower Automotive Polska, Coroplast, Barthau Anhaengerbau GmbH. Automotive Systems, Naepco, MM Sytemy, Mubea Polska. They are providers of components and tools for world leading car manufacturers.

The above-indicated directions of the inflow of foreign capital into Opole Voivodeship correspond to the predispositions of the region's economy, both in the sense of resource base, the development of the industrial infrastructure to date and possessed resources of qualified personnel.

6. Conclusion

The phenomenon of foreign capital absorption in the form of FDIs, which is desirable from the point of view of economic development, overlaps with the inner mechanisms differentiating competitiveness of individual areas of Poland. Poland is clearly ununiform as regards investment attractiveness. The three decades of the socioeconomic transformation have aggravated this situation. The rise in the Gini index in the examined period is only too well visible, which points to the inequalities getting stronger. The rankings unchangeably feature the Mazovian Voivodeship taking the lead (regarding the number of companies with foreign capital, the volume of engaged capital as well as the number of subjects with foreign capital per 10K inhabitants). Juxtaposed against this background, Opole Voivodeship is characterized by an average, rather moderate interest on the part of investors.

The indicated tendency towards spatial concentration of foreign capital, which has been observed in the scale of the whole country, also takes place in Opole Voivodeship: investors locate their enterprises basically in the central-eastern part of the province as it offers developed industrial and business-related infrastructure.

The foreign capital invested in the form of FDIs in Opole Voivodeship has displayed certain clear and stable features in the past three decades. They are as follows:

- dominance of the German capital,
- branch and spatial concentration,
- tendency towards consolidation of foreign ownership.

German investors continue to remain the most active group of foreign investors in the region, even though their share is diminishing in favor of international capital groups. The branch concentration of foreign capital remains a feature characteristic of Opole Voivodeship as it results from the industrial tradition in the region, based on available resources and qualified workforce: production of building materials, food articles, chemical and plastic goods. Despite the crises seriously affecting the economy, which occurred in the last two decades (the global crisis of 2008, the Covid-19 pandemic and the war in Ukraine) and which

dramatically interfered in the inflow of foreign capital into the region, a growth in the investors' engagement has been noted after 2021.

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