

LEVERAGING GLOBAL EXPERIENCE FOR LOCAL SUCCESS



AmCham.pl Quarterly
Editor Tom Ćwiok talks
with **Jacek Żurawski**, Vice
President and Managing
Director for Hill
International, Inc. in
Poland, a provider of
program, project, and
construction management
services, about market
challenges and
opportunities in Poland.

Headquartered in Mount Laurel, NJ, Hill has been active on the Polish market since 1991 and currently employs more than 100 in-country staff. What can you tell us about the company's landmark projects in Poland?

Hill has a long and successful his-

tory providing the full range of our management consultancy services in Poland. Some of our landmark projects in the country are commercial projects, including iconic high-rise towers in Warsaw. We are also extremely proud of the work that we do in the country's aviation sector. Our Polish portfolio also includes no-

table hotels, multifamily residences, student housing, and a variety of mixed-use projects that combine large-scale retail with offices and entertainment facilities. In recent years, Hill has also leveraged our company's global expertise to enter Poland's industrial and technology sectors. Hill specialists have provided engi-

neering, procurement, and construction management—EPCM—services for the preconstruction and construction of multiple manufacturing facilities in the country. In addition, our team has been responsible for managing the construction of data centers in Poland on behalf of some of the key players in the global market.

How does the company combine its vast international experience with local expertise?

Our company has a large presence worldwide, operating from more than 100 offices in 42 countries. This gives our local teams access to a pool of industry-recognized specialists in multiple disciplines and markets. If our local professionals ever lack any expertise required for a project, we build up the team with the participation of our international colleagues. Additionally, Hill's approach to intramural networking and information-exchange also helps our global experts share best practices and lessons learned with their colleagues around the world.

That said, we also know that every market has its own distinct needs. We prioritize hiring local staff so that our clients have access to professionals who understand the specific environment and conditions where their projects are taking place.

This two-sided approach, leveraging global expertise and local knowledge, results in the best value for our clients.

Hill International delivers projects in industrial, infrastructural, commercial real estate and residential markets. Which of those markets have the most dynamic growth potential in Poland?

The post-pandemic world has contributed to friendshoring and nearshoring in many industries. We are certainly observing this in Poland.

The most dynamic growth potential we see in Poland is in the data center market. That accords with broader EU initiatives for increasing data capacity throughout the continent.

With climate change, the transition from fossil fuels to green energy is a must. So, we also expect the development of nuclear power plants, small modular reactors—SMRs, hydrogen production plants, and offshore installations throughout Europe in the near future to generate energy in a more sustainable way. We will continue to see investment in existing infrastructure—roads, railways, utilities, and similar areas.

What, according to you, are the main challenges for the construction industry in Poland? Do you think that there is enough investment capital to support all the necessary projects in Poland?

The primary challenges facing Poland's construction industry include a shortage of labor, supply chain difficulties, inflation, unstable law, and the active war in neighboring Ukraine.

With regards to investments, we know that private capital will always follow demand. In Poland's retail sector, for instance, demand is shrinking. So, new large-scale developments have slowed down over the past few years, and investors are focusing on refurbishments and modernizations of existing facilities. On the opposite end, investors are dynamically targeting the logistics and residential sectors with greenfield projects.

The public sector is a little trickier and has to do with EU planning and the timing of available funding as much as it does with public demand. We hope to see Poland's National Recovery Plan and EU funding help bridge the funding gap for critical public sector projects—in particular energy projects—soon. This will lead to

nuclear power plants, SMRs, and renewable energy projects, as well as new high-voltage transmission lines. We also anticipate NRP funding for critical railway network modernization and extension projects.

Just as important as the capital, our country will need skilled engineers and other architecture, engineering, and construction—AEC—professionals to successfully implement the funding and lead sustainable growth in both the private and the public sectors.

Looking at the regulatory framework, can you say that Poland is an investor-friendly market for the construction industry?

Poland is generally an investor-friendly market and often top choice among other EU countries for potential investors. In fact, the companies that have already invested in Poland are eager to develop their current projects and expand their presence in our country. Many of them are reinvesting their profits here.

However due to national regulations, project pre-construction often lasts longer than construction. Shortened administrative procedures would allow investors to obtain decisions on locations, the environment, and building permits faster, increasing stakeholder satisfaction and making Poland even more attractive for international investors.

What are the company's plans in Poland for 2024 and beyond?

We believe that public and private investments combined with global, European, and national trends will lead to the rapid development of Poland's industry, including electromobility, pharmaceutical, new technologies,

and other areas, but also infrastructure including renewable energy, railways, harbors, airports and similar areas, over the next decade. At Hill, we are prepared to leverage our team of local and global specialists to provide EPCM services for the most challenging projects in these markets, as well as for clients in our core commercial, hospitality, residential, and mixed-use markets.

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