

# CENTRAL AND EASTERN EUROPE

## SYNOPSIS



## ABOUT CEE

Central Eastern Europe is the collection of countries between Germany and Russia, which until 1989 were hidden away behind the 'Iron Curtain'.

Now, a generation later, Poland, Czechia, Slovakia, Hungary and Romania have almost caught up with Western Europe.

Spurred on by a buoyant economy these countries have strong appetite for foreign travel.

## GROWTH INDICATORS

CEE is a region of 83 million inhabitants - if it were one country it would be the world's eleventh biggest economy just behind

Flight traffic in CEE increased by 18% from 2016 to 2017, in contrast in Germany & France it increased by just 6% during the same period.

Referred to as "Growth engine of the European economy" CEE has the fastest GDP growth in Europe since 2013. In H1 2018 the region recorded 4.2% GDP growth, over double that of the EU average.



### STRONG GROWTH OF KNOWLEDGE ECONOMY

With high level skill sets - especially in IT, pace and business service sectors.



### MONUMENTAL SHIFT

CEE is gradually changing from being a supplier of workers to being a region which attracts foreign staff.

Numerous international corporations have based their **logistics, outsourcing, accounting** and **legal centres in CEE**.

The **Automotive industry** accounts for **10-25% of GDP in CEE**. As well as assembly lines many car manufacturers have established R&D centres, increasing the quality of workforce.

Low crime, low risk of terrorism; according to Institute for Economics and Peace CEE belongs to **world's 25 safest places to live**.

- Rapidly expanding middle class.
- Low levels of unemployment, inflation, public and private debt.
- Institutional stability - healthy budget balance, solid banking sector, stable currencies.
- Higher proportion of population at working age than in Western Europe.
- Educated, talented and motivated workforce.



# COUNTRIES INTRODUCTION

## SYNOPSIS



Poland was assessed fifth in Europe / eleventh in the world by OECD for level of maths and science in secondary schools



Polish economy increasingly geared towards domestic consumption, less reliant on imports, which increases stability

**Population:** 38 million

## POLAND

In 2018 Poland was **upgraded** by FTSE to **"developed market"** and witnessed a **5,1% growth in GDP** in H1.

**Increase in average salary** of 50% since 2008, and 9% increase in 2018 on 2017.

Poland rated **sixth in the world** in terms of **English fluency**.

According to OECD Poles work the **14th most hours in the world**.

**Daimler Chrysler, Uber, Zurich Insurance Group, Volkswagen** all recently set up operations in Poland.

Poland is **third largest source market** for German state Lower Saxony, and **fifth largest market for Croatia**.

Polish **arrivals in Iceland were second fastest growing** 2016-17 with 67% on growth. With 66,000 arrivals from Poland in 2017 it is the seventh largest source market in the world.



**POLAND IS NECK AND NECK WITH FRANCE TO BE THE FOURTH LARGEST SOURCE MARKET FOR MALTA FOR 2018**

**Population:** 10,6 million

## CZECH REPUBLIC

Czech – Fitch rating upgraded Czech **growth from A+ to AA-** in 2018;  
8% YOY wage growth in 2018.

Czech- **93 %** of adults have completed at least their **secondary school qualifications** – the highest level in the OECD.

Czech saw consecutive year to year **growth to Dubai of 25%** between 2015 and 17, with **70,000 arrivals in 2017**.

Czech Republic, a country of just 10.6 million is the **sixth largest arrival market in the world for the emirate Ras Al Khaimah** for period Jan-Sep 2018.

**Population:** 9,8 million

## HUNGARY

Though its economy was slower than its neighbour 2013-17, Hungary's growth reached an impressive **4.5-5% of GDP in 2018**, making it **one of the fastest growing economies in Europe**.

Hungary third place in 'Glass Ceiling Index': **40,5% of Hungary senior and managerial roles belong to women** (only Latvia).

**Population:** 19,6 million

## ROMANIA

Romania was the **fast growing economy in Europe during 2017**.

“Romania is the new sexy, and we have taken Romania out of the Balkans” Deloitte.

Robotics company UiPath is Romanian. This is the **first CEE company to be valued as a unicorn** (over one billion dollars).

**Population:** 5,4 million

## SLOVAKIA

Slovakia – **19% of exports are cars**. It is a highly stable manufacturing powerhouse, and the only CEE country to use the **EURO**.

Slovakia has **one of the youngest populations in the EU** with the lowest old age dependency ratio.