

## Warsaw named as favoured city for european expansion in the European Cities Monitor

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Warsaw, Poland has been named by the 20th annual European Cities Monitor as the city which can expect the biggest influx of companies in the next five years, replacing Moscow in popularity which has fallen to second place.

36 of Europe's largest companies named Warsaw as the European city in which they intended to next expand, up from 28 in 2008. 35 companies named Moscow, down from 44 in 2008.

The findings, in Cushman & Wakefield's influential survey of 500 of Europe's largest companies, also names Birmingham, UK as the best performing city this year moving up seven places to be named as the 14th best European city for business. London is once again ranked the best business city in Europe, a position it has held every year since the survey started in 1990. Paris and Frankfurt are again ranked 2nd and 3rd.

European Cities Monitor is based on interviews with senior managers and board directors in charge of location for 500 of Europe's largest companies. From this research it produces an overall ranking of which European city is considered by the business community to be 'best for business' and the 'best city in which to locate a business today'. In addition to the overall ranking, 34 cities are ranked against a number of criteria such as quality of life, telecommunications, access to markets, availability and quality of staff, cost of office space and transport links.

In its 20th year, 2009's European Cities Monitor features a special analysis of the p

performance of cities since 1990. All of the key central and eastern European cities have seen increases in their position, most buoyed by EU accession, with Prague and Warsaw the biggest risers to 21st and 23rd respectively moving up from their positions at the bottom of the ranking in 1990.

The Spanish cities of Barcelona and Madrid have also performed especially well with both ranking in the 2009 ranking at 4th and 6th respectively. In 1990 neither even made the top ten and were ranked at 11 and 17 respectively. Barcelona's hosting of the 1992 Olympic Games boosted its position the following year when it rose three places and first entered the top ten. It has remained within the top ten ever since. Similarly, Manchester's hosting of the Commonwealth Games in 2002 saw it rise from 19th to 13th in 2003. It is 16th this year.

European Cities Monitor 2009: The 10 best cities in which to locate a business today

(full ranking of 34 cities contained in the report)

Rank 2009 (2008) City

1. (1) London
2. (2) Paris
3. (3) Frankfurt
4. (5) Barcelona
5. (4) Brussels
6. (7) Madrid
7. (9) Munich
8. (6) Amsterdam
9. (8) Berlin
10. (13) Milan

Hanna Gronkiewicz-Waltz, Mayor of Warsaw, said: "Warsaw is a financial and political centre of the country, which makes it a good and reliable partner in long-term investments. The rise in Cushman & Wakefield's ranking proves that the Polish capital is an investor-friendly city and has continued its dynamic growth. Warsaw appears resilient to the global crisis and successfully implements strategic investments, maintaining the investment budget at the record level."

Richard Petersen, managing partner of Cushman & Wakefield in Poland, said: "Foreign investors' interest in Poland has increased steadily since the 1990s and was further stimulated by accession to the EU in 2004. Warsaw ranks high among European capitals in terms of cost of qualified staff, low cost and availability of

office space and a positive business climate created by government. Throughout the recent market turmoil, Poland has maintained a positive GDP growth and forecasts indicate that this will continue into 2010. This in turn will provide favourable conditions for a rapid market recovery in the real estate sector during next year."

London is ranked the number one city in half of the 12 major rankings including access to markets, availability of qualified staff and international and internal transport links. It scores poorly, however, on the cost of staff, the cost of office space and levels of pollution.

James Young, City of London office head, Cushman & Wakefield, said: "Since the collapse of Lehman Brothers just over a year ago, London has been through a pretty turbulent time. This year's survey, however, is evidence that it has not lost its position as Europe's and probably the world's leading business and financial centre. Major corporates clearly still recognise that its critical mass of talent, facilities and infrastructure combine to deliver a compelling location for business. Although office space remains relatively more expensive than other European capitals, costs have come down considerably this year and occupiers looking at locating here will find historically low rents which are likely to remain competitive until well in to 2010 at least. As the host for the 2012 Olympic Games it will also benefit from one of the largest domestic investments in infrastructure ever seen."

Barcelona and Madrid this year rank at 4th and 6th respectively despite, in 1990, ranking at only 11th and 17th.

Roger Cooke, head of Spain, Cushman & Wakefield, said: "The rise of both Spanish cities in this year's rankings show that their significant rise over the 20 years of the study remains sustainable. Both cities are broad based business, culture and leisure destinations which combine to make very modern, attractive and cosmopolitan international cities."

Oriol Barrachina, partner and head of the Barcelona office, Cushman & Wakefield, said: "Barcelona is highly valued amongst business decision makers and its top five position has consolidated in recent years with high scores in almost all the important categories with exceptional scoring in the office availability and value for money fields. It also consistently ranks first in the quality of life category."

Elaine Rossall, head of business space research, Cushman & Wakefield, said: "While corporates have undoubtedly been reining in their operations in the current c

imate, the impact of being in the right location can make a huge difference to the success of an organisation and corporates have been considering their locations very seriously. While a number of cities stand out across Europe, particularly London, Paris and Frankfurt which score well across all categories, what is evident is that these cities are being challenged by a wide cross section of cities on individual location factors. For example, Berlin is seen to be a great city for internal transport and availability of office space, while Geneva scores strongly for its investment climate and quality of life. It is imperative that all cities promote themselves effectively, highlighting their perceived strengths, if they are to attract a major influx of corporates once the upturn in the European economy is in full swing. ”

European Cities Monitor also asked companies which were the key factors when deciding where to relocate their business. Easy access to markets, customers or clients came ahead of the availability of qualified staff as the single most important factor with telecommunications then ahead of national and international transport links.

Those surveyed also said that fears over the performance of the European economy followed by the availability of corporate finance were the two most important factors most likely to impact their business over the next ten years. The economic growth of Central and Eastern Europe is considered less of a factor this year as most of that region has been significantly affected by the global economic downturn.

FULL REPORT AVAILABLE to download from Cushman & Wakefield’s knowledge centre at [www.cushmanwakefield.com](http://www.cushmanwakefield.com) or from [www.europeancitiesmonitor.eu](http://www.europeancitiesmonitor.eu)