

# Strong cities



City attractiveness, office market, HR trends

Q4 2023

The office market sentiment, the investment potential of the city and the labour market.

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## ***Katowice***







Prepared  
in cooperation with



Michael Page



# Katowice

-  **City area**  
**164.7 sq km**
-  **Population**  
**279,100**  
(Katowice, GUS 2023)  
**2,142,800**  
(GZM, InfoGZM 2022)
-  **Population forecast**  
**261,050**  
(2030, Katowice)
-  **Unemployment rate**  
**1.0%**  
(12.2023, GUS)
-  **GDP growth**  
**18.0%**
-  **PKB per capita**  
**PLN 85,131**
-  **Average salary (gross)**  
**PLN 9,177.26**  
(in the business sector, 12.2023, GUS)

## Investment attractiveness

Rankings

**6<sup>TH</sup> PLACE** in the **"Top 10 Large European Cities of the Future 2023 - fDi Strategy"** ranking - attracting foreign direct investment (fDi Intelligence)

**2<sup>ND</sup> PLACE** in the ranking of **Business-Friendly Cities** of "Forbes" - cities and municipalities of 150,000 -299,000 inhabitants

**3<sup>RD</sup> PLACE** in the **"Polish Cities of the Future 2050"** ranking - in the sub-ranking of office, residential and "after hours" and **1<sup>ST</sup> place in the school category**

**TITLE:** **"European City of Science" 2024**  
awarded by EuroScience Association

**CERTIFICATE:** **"Standards of Investor Service in Local Government"**

## Investment incentives

The Investors Assistance Department is a special unit in the Katowice City Hall. It provides various services ranging from supporting investors who create business service centres, developers of the residential space, hotels and offices, to creating an ecosystem for start-ups and a friendly environment for the SME sector.

Providing investors with support based on their individual expectations and requirements: preparing market analyses, information on investment locations, offering image-building assistance, organising investors' visits, coordinating cooperation with universities, etc.

Katowice Special Economic Zone - the best in Europe and one of the best in the world (fDi Intelligence), offering income tax exemptions.

Structured educational projects to support the development of talent in the city from secondary school to higher education: P-TECH, Corporate Readiness Certificate (CRC).

A chance to invest inside a centre that has been implementing sustainable development policies based on Agenda 2030, UN.



## Quality of life

Rankings

**1<sup>ST</sup> PLACE** in Business Insider's ranking - **Best city to live**

**2<sup>ND</sup> PLACE** in the "Europolis" ranking of the Schuman Foundation for **the most ecological Polish cities**

**1<sup>ST</sup> PLACE** for the **Culture Zone** in the "Top Municipal Investment of the Decade" poll of Portal Samorządowy

**2<sup>ND</sup> PLACE** in **"Electromobile Cities Ranking"** by Polityka Insight


**6<sup>TH</sup> PLACE** in Poland among cities with more than 100,000 residents in terms of **quality of life** assessment in the "Newsweek" ranking

**silver award for sustainable development**, in the category of cities with more than 400,000 daily population, in The International Awards for Liveable Communities LivCom Awards 2023

## Quality of life in numbers

- Implementing the 17 UN Sustainable Development Goals and the objectives of the Development Strategy City 2030 - equitable transformation, climate change and equity.
- Green urban transport: 28 electric buses, 22 hybrid buses and 8 CNG buses, 147 EV charging points.
- Connecting residential and service areas in Katowice - PLN 200m and an investment to improve the safety of road users in Katowice - PLN 30m (projects subsidised by the RFPL Strategic Investment Programme).
- Construction of a new tramway - completed in Q4 2023, estimated costs: approx. PLN 37m net, out of which PLN 20m net comes from the EU funds.
- Katowice Intelligent Transport System - the system adjusts traffic lights to the current traffic volume - completed; PLN 91.7m (PLN 72.8m from the UE funds).
- District of New Technologies - Katowice Gaming and Technology HUB and development of the Poniatowski mining shaft area (stage 6 - PLN 596.6m, PLN 2.5m (documentation)).
- Construction of a photovoltaic farm - completed in Q4 2023 - PLN 4.7m.
- Construction of a municipal stadium in Katowice - PLN 289m.
- Construction of the Jerzy Kukuczka Himalayan Centre - PLN 81.6m.
- Katowice 'Kilar's House' Music Education Centre and a permanent exhibition - PLN 21.2m.
- Witos' Cultural Centre and a park - PLN 27.5m.
- Construction and modernisation of city parks - PLN 42.4m (co-financed by RFPL Strategic Investment Programme - PLN 36.9m). Greening of Warszawska Street - completed in Q4 2023 - PLN 18m. Greening of Sejmu Śląskiego Square - PLN 0.3m (documentation).
- Development of the area around Starganiec pond - completed in Q2 2023 - PLN 7.2m (co-financed from RFIL - PLN 5.8m).
- Katowice Resident Card - 123,547 active cards.
- Participatory Budgeting - PLN 20m including Green Budget - PLN 3m.

 **Bike paths**  
**185 km**






 **Green areas**  
**50%** of the city's area

## Facts & Figures

-  **Number of students**  
**50,848** (Katowice)  
**90,725** (GZM)
-  **Number of graduates**  
**12,549** (Katowice)  
**22,707** (GZM)
-  **Number of universities**  
**12** (Katowice)  
**19** (GZM)
-  **Airport - distance to the city centre**  
**30 km**
-  **Airport - number of passengers**  
**5.61m** (2023)
-  **BSS sector - number of centres**  
**105** (Katowice)  
**135** (GZM)
-  **BSS sector - number of employed**  
**26,600** (Katowice)  
**32,000** (GZM)

# Katowice




Q4 2023

-  Existing stock **749,000 sq m**
-  Supply under construction **69,000 sq m**
-  Vacancy rate **21.5%**
-  New supply (2023) **27,000 sq m**
-  Take-up (2023) **61,000 sq m**

## Coworking operators in Katowice

City Space | Regus  
Wlasne B. | Cluster Offices

## Standard lease terms in new buildings

-  Service charge PLN/sq m/month **14.00-27.00**
-  Rent-free period **1-1.5 month** for each contract year
-  Fit-out budget EUR/sq m **350.00-500.00**

**Katowice, the fourth largest regional office market in Poland, boasts nearly 750,000 sq m of office space. In 2023, the market experienced stable occupier demand, with leased office space exceeding 61,400 sq m, while new supply amounted to 26,700 sq m. However, the vacancy rate remained high at 21.5% as of the end of 2023, largely due to the considerable influx of new office spaces delivered to the market in 2022.**

### SUPPLY

The office take-up in Katowice has remained stable, with over 61,400 sq m leased in 2023. This figure is slightly below the previous year's result of 63,000 sq m and the five-year average of 65,000 sq m.

In 2023, only one building, the 26,700 sq m Craft, was completed in Katowice, increasing the city's total office supply to nearly 750,000 sq m. The limited pace of new supply growth is expected to continue into the coming year, as only 27,000 sq m of the 68,600 sq m of office space under construction is scheduled for completion in 2024. Notably, the largest buildings under construction are the 20,650 sq m Grundmanna Office Park A, planned for 2025, and the 18,000 sq m Eco City Katowice complex, planned for 2024.

### TAKE-UP

The limited developer activity can be attributed to the record-high amount of office space delivered to the market in 2022, reaching nearly 130,000 sq m, which is more than twice the five-year average. This surge in supply has contributed to the growth in the vacancy rate, which stood at 21.5% by the end of 2023, marking the highest rate in Poland. Interestingly, the vacancy rate in the city centre, where almost 60% of Katowice's office space is situated, is notably lower than the city average, at 17.4%. This lower vacancy rate underscores the strong demand for high-class office space in prestigious locations. Conversely, the vacancy rate outside the Katowice city centre was as high as 26%.

The take-up structure in 2023 was primarily driven by new deals, representing 56% of the total leased space volume. Among regional cities, Katowice had the highest share of expansions at 12%, while renegotiations accounted for the remaining 32% of leased space.

### VACANCY RATE






Significantly, the vacancy level saw a 1.7 pp decline on a quarterly basis in Q4 2023 compared to Q3 2023. This trend, coupled with stable demand and a limited amount of office space under construction, is expected to continue positively impacting vacancy levels in the upcoming quarters.

### RENTS

Despite the growth in the vacancy rate, the monthly asking rents in Katowice remained stable at the end of 2023 compared to the previous quarter, typically ranging between EUR 8.00 to 14.50/sq m/month. Service charges, after significant increases in the cost of utilities over the past two years, also remained stable in Q4 2023 relative to the previous quarter, typically ranging from PLN 14.00 to 27.00/sq m/month.

# Office market in Poland

Q4 2023

-  Existing stock **12.9m sq m**
-  New supply (2023) **342,000 sq m**
-  Take-up (2023) **1.5m sq m**
-  Supply under construction **534,000 sq m**
-  Vacancy rate **14.1%**

### SZCZECIN

185,000 sq m  
4.8%  
EUR 10-14.5

### POZNAŃ

672,000 sq m  
14.7%  
EUR 10-15.5

### WROCŁAW

1.35m sq m  
18.2%  
EUR 10-16

### KATOWICE

748,000 sq m  
21.5%  
EUR 8-14.5

### KRAKÓW

1.81m sq m  
19.8%  
EUR 10-16

### TRICITY

1.05m sq m  
13.3%  
EUR 10-15

### WARSAW




6.15m sq m  
12.7%  
EUR 10-25

### ŁÓDŹ

637,000 sq m  
20.3%  
EUR 9-15

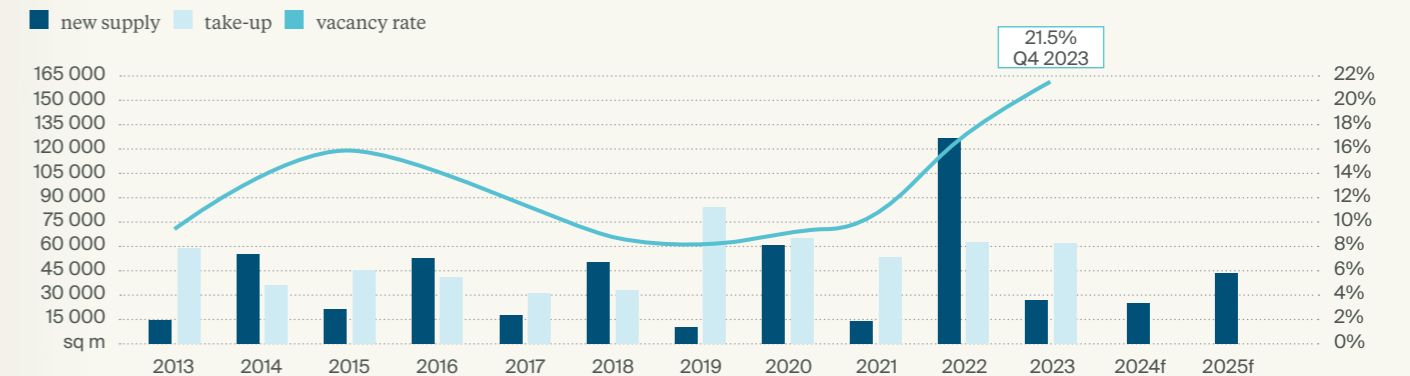
### LUBLIN

221,000 sq m  
11.9%  
EUR 8-13

 - office stock  - vacancy rate  
 - asking rents (per sq m per month)

Source: Knight Frank

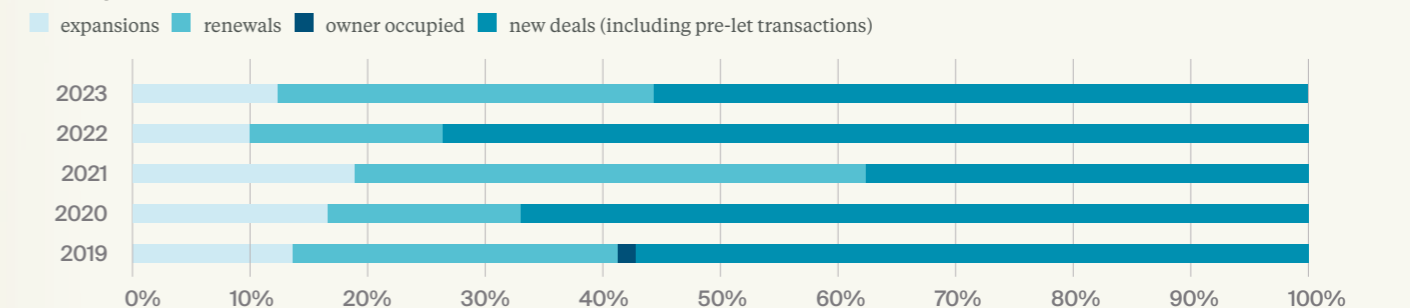
## Annual new supply, take-up and vacancy rate in Katowice



f-forecast based on schemes under construction

Source: Knight Frank

## Take-up structure in Katowice



Source: Knight Frank

# Businesses keep a sharp lookout for effective leaders - as highlighted by the Michael Page 2024 Guide to Salaries and Trends in the Labour Market

The current decade is a time of transformation in the business world. ESG and DE&I are gaining momentum. At the same time, the impact of modern technologies is growing, with primary focus placed on artificial intelligence. There is also a clear change in the attitudes of employees, who prioritise work-life balance. All this proves the far-reaching metamorphosis of workplace culture.



Employees expect businesses to be committed to and actively involved in ESG, as well as in Diversity, Equity & Inclusion. These days, candidates tend to combine their ultimate decision of whether or not to join a given organisation with the thought of whether they identify with the values of their prospective employer.

Indeed, artificial intelligence has become an intrinsic feature of work in many sectors. Staff in various positions use AI tools to optimise their daily tasks. The development of this particular technology is also associated with the creation of more and more new positions in many teams.

Having said that, given the employee's market, we can see a far-reaching transformation of the workplace culture. Candidates stress the need for better work-life balance, which they prioritise over professional success. This explains why so many employees are reluctant to give up the more flexible working hours or hybrid work model that the pandemic has made possible.

In the face of these changes, businesses need effective leaders who can attract and retain talent within an organisation. The last months of 2023, however, revealed that the quality of leadership in the new reality is sometimes insufficient. The leadership skills deficit is a major challenge that organisations have to face up to if they want to operate efficiently in the ever-changing business environment.

► For more information on the market analyses, forecasts for 2024, and the overall structure of salaries across 9 sectors the structure of wages in 9 sectors, please see the report [A Guide to Salaries and Trends in the Labour Market](#). The publication was prepared by experts from Michael Page.

## The ins and outs of the labour market in the IT Contracting sector

in Poland

Following the outbreak of the pandemic, there was a surge in demand for IT products and services, with increased recruitment needs for companies. In 2023, the number of projects in the area of new technologies has been lower, and thus the number of recruitment processes has returned to the levels known before the pandemic. Representatives of the sector actively observed the development of artificial intelligence during this time, trying to anticipate its impact on the IT labour market. Due to the partial slowdown in demand for new technologies, global giants decided to reduce employment. However, Poland was still seen as a location worth setting up technology hubs and recruiting IT experts.



Cloud solution experts were invariably of great interest to employers. Companies also sought software developers, in particular those specialising in programming languages such as Java and Python. Employers were also very interested in specialists in the areas of ERP and big data.

Candidates, on the other hand, were more reserved about the prospect of changing jobs. They paid attention to the opportunities for development in the new company, taking into account currently implemented and planned projects, the technologies used, as well as the employer's offer to subsidise training courses. A person changing a job could usually count on a salary approximately 10-20% higher than the current one.

Average salary increases at companies were on a similar level. Those specialising in cyber security, cloud solutions, software development and data science gained the most in this respect. In 2023, there was an increase in companies accepting remote working only to a limited extent. Younger companies in particular, still building their corporate culture, were interested in having employees in the office at least on selected days of the week.

## TOP 3

Most desirable positions in the IT sector:

- 1 ► **IT Business Analyst:**  
PLN 20,000 – 24,000  
gross/monthly
- 2 ► **BI Developer:**  
PLN 18,000 – 23,000  
gross/monthly
- 3 ► **SAP Implementation Consultant:**  
PLN 23,000 – 27,000  
gross/monthly



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Investors Assistance Department is a dedicated unit of the Katowice City Hall, which provides comprehensive services: from supporting business services investors, residential and commercial developers, to creating a friendly environment for start-up and the SMEs sector. Investors Assistance Department focuses on providing solutions customized to the needs of investment projects. Thanks to a wide range of innovative products an experienced team of experts supports investors in achieving their business goals in Katowice and in gaining and maintaining a competitive advantage.

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