

# Spatial distribution of entities of the national economy in Warsaw



Statistical Office  
in Warszawa



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**Publication available on the website**

<http://warszawa.stat.gov.pl/en>

**When publishing Statistical Office data please indicate the source.**

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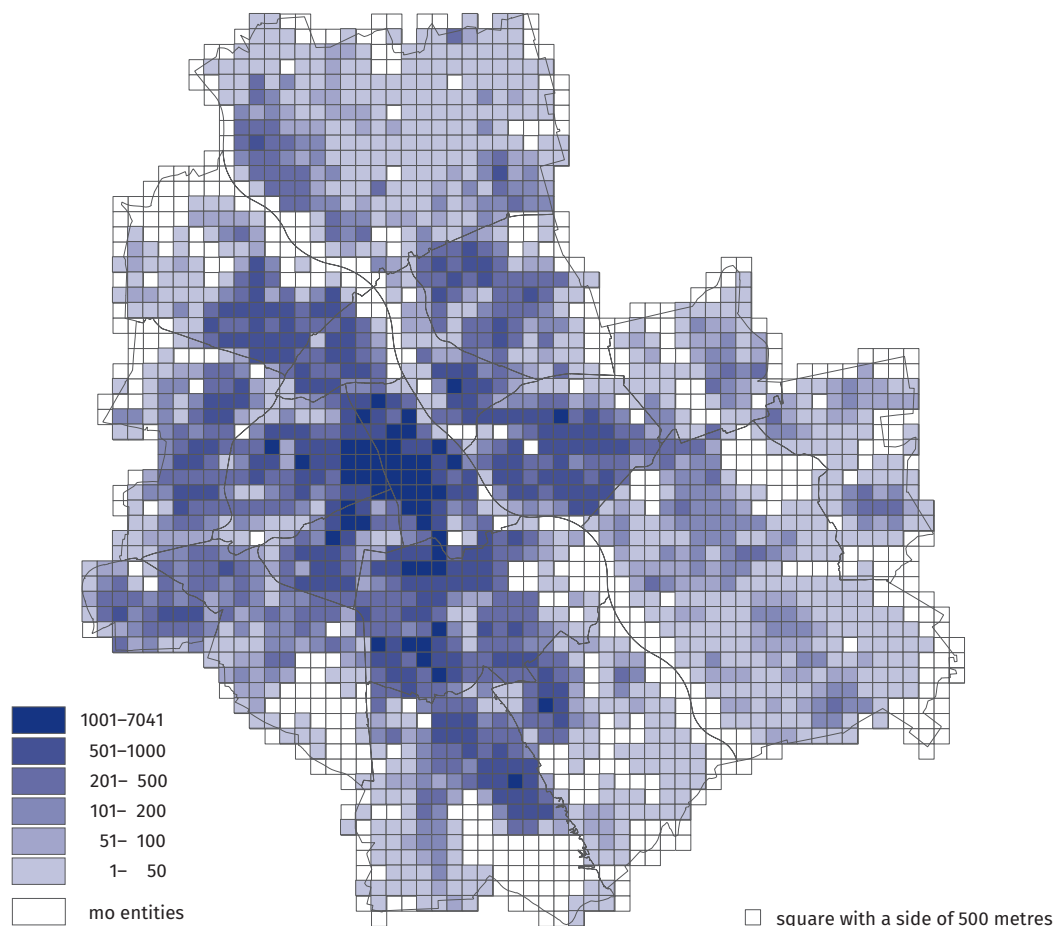
# Introduction

Entities of the national economy in Warsaw have a significant impact on the gross domestic product and other major economic indicators. They also reflect the endogenous potential and economic base of the capital. Distribution of entities as workplaces of hundreds of thousands of people determines the directions and volume of movement of residents. Areas with high concentration may indicate favourable conditions for the location of economic activity, but indicate potential problems with communication, parking spaces, congestion and the quality of public spaces. All these premises point to the need for research and analysis of places of activity of companies and institutions in the capital.

The Statistical Office in Warszawa, noticing the importance of challenges for the city authorities, as well as specialists and experts dealing with the management of the metropolis, prepared a brochure „Spatial distribution of entities of the national economy in Warsaw”.

The analysis covered the group of entities registered in the REGON register by headquarters as of 31st January 2019. The entities were assigned geographical coordinates, which allowed the presentation of results in a grid of squares measuring 500x500 metres by selected legal status, period of registration of the unit and nature of economic activity.

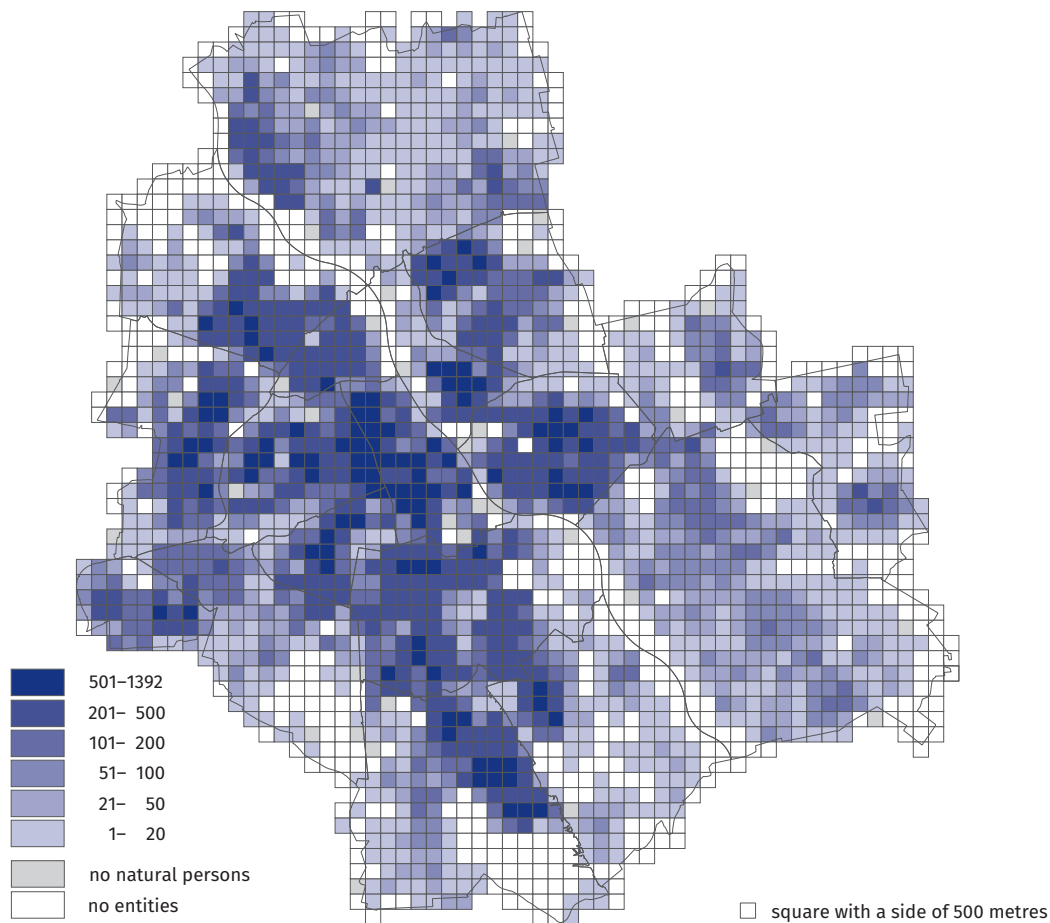
## Entities of the national economy in the REGON register



At the end of January 2018, out of 414,838 entities of the national economy, nearly 74% had their headquarters in the left bank Warsaw. The most popular were Śródmieście and Mokotów with respectively 17.0% and 13.4% of the total units located in the capital.

The largest number of registered entities per square kilometre were located in central districts: Śródmieście(4525), Ochota(2317) and Wola (2155), with the highest concentration at the border of these three districts. In the right-bank of the capital, the highest density of entities can be noticed in Praga-Południe, and in the neighbouring part of Praga-Północ. The least units conducting economic activity were recorded in eastern districts: Rembertów, Wesoła and Wawer, where the number of registered entities per square kilometre was over 20 times lower than in Śródmieście.

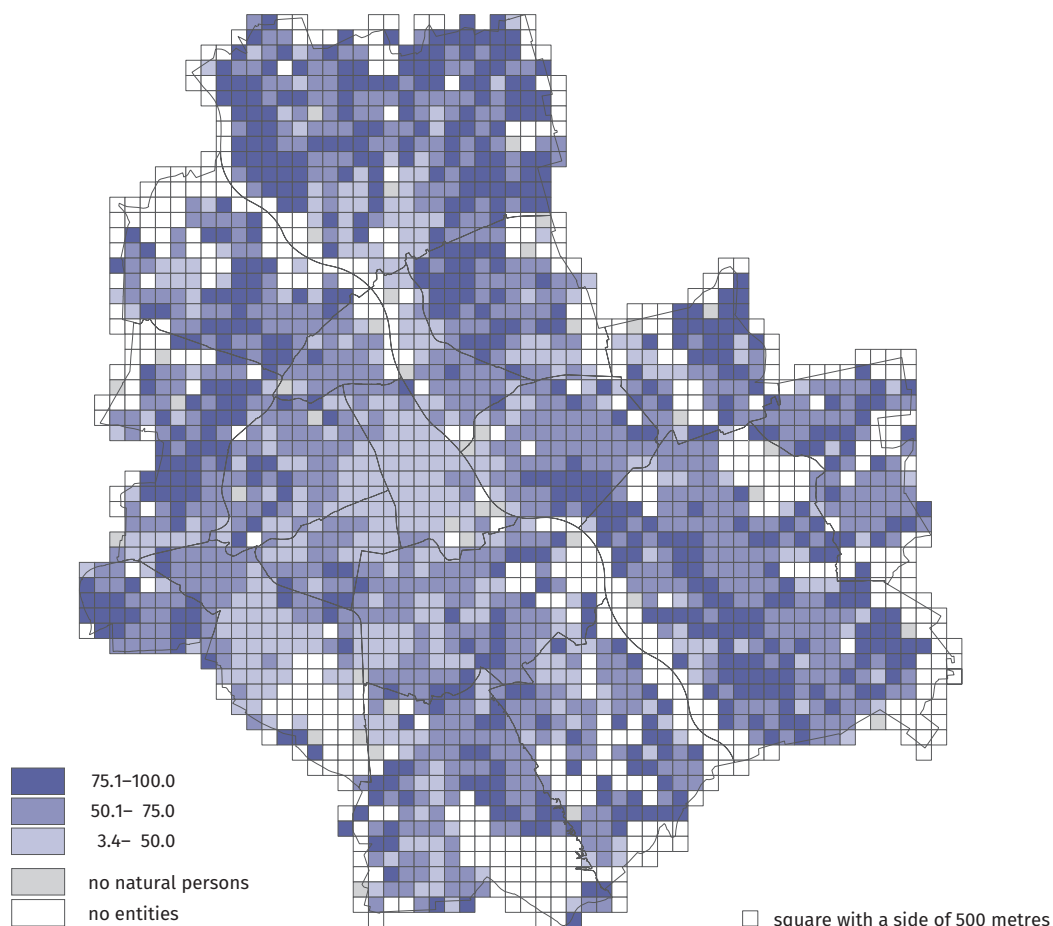
## Natural persons conducting economic activity



Natural persons conducting economic activity accounted for 55.9% of total entities. They were located mainly in the same areas as other entities, i.e. in the very centre and in the west and south-west of Warsaw. Most often they conducted professional, scientific and technical activities (22.8% of total natural persons conducting economic activity) as well as trade; repair of motor vehicles (17.2%).

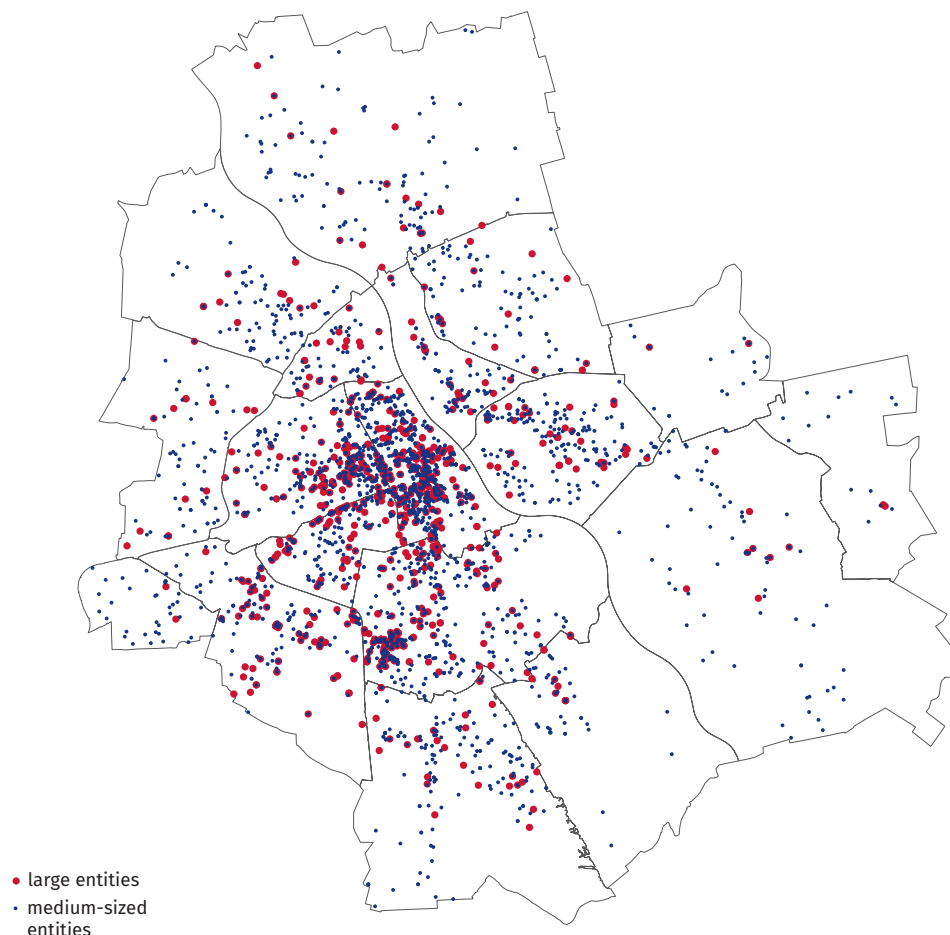


## Share of natural persons conducting economic activity in total entities



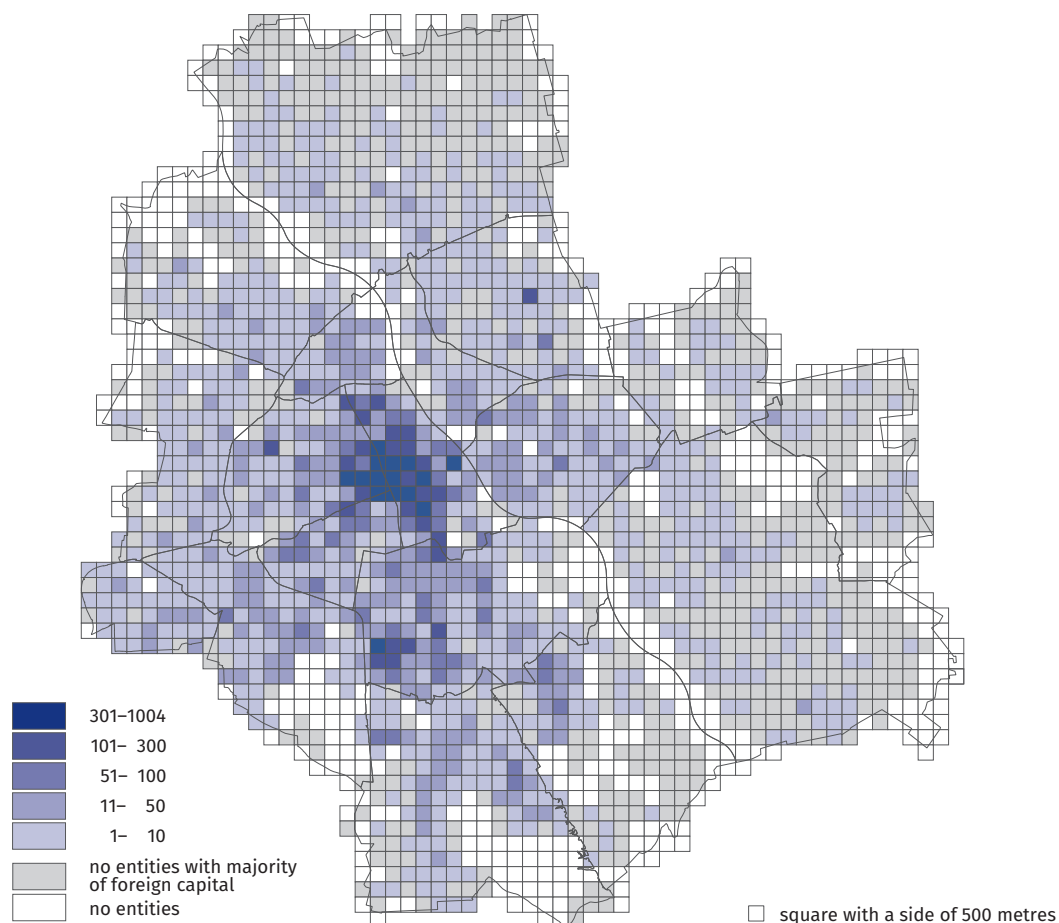
The lowest number of natural persons is not the same as their lowest share in the adopted reference units (square with a side of 500x500 metres). Peripheral areas were characterized by the highest share of natural persons. This is especially visible in Białołęka, Bemowo, Ursus, Wawer and Rembertów. However, in the central part of the capital, despite the largest population, the share of natural persons in the total number of registered entities of the national economy was the lowest. This is due to the fact that most central public administration units, as well as a significant number of commercial companies have their headquarters in this area.

## Large and medium-sized entities



Medium units (with expected number of employed persons between 50 and 249) and large (with expected number of 250 and more employed persons) accounted for less than 1% of the total registered entities of the national economy, but at the same time were a workplace for approx. 50% of persons employed in the capital. They concentrated in the central districts and along the main communication routes. Every second medium or large entity based in Warsaw was located in Śródmieście, Mokotów and Wola. Only 19% of the entities in question had their headquarters in districts on the right bank of the Vistula, of which nearly 1/3 in Praga-Południe. Large entities most often operated in the sections of industry (14.6%) and trade; repair of motor vehicles (11.8%), whereas medium entities – in the sections of education and trade; repair of motor vehicles (both 16.3%).

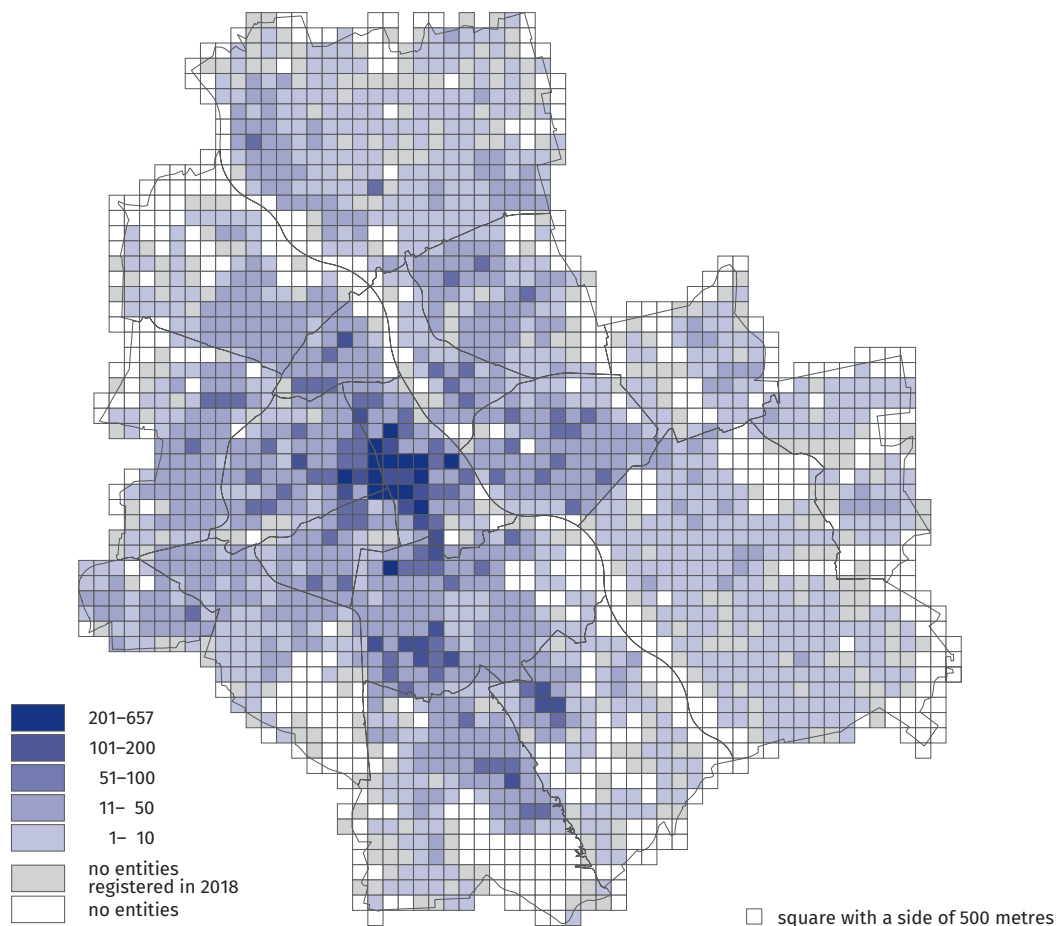
## Entities of the national economy with majority of foreign capital



At the beginning of 2019, the surveyed group of entities with majority of foreign capital consisted of 23.0 thousand units, which accounted for 5.5% of all companies registered in the REGON register. They mainly chose attractive locations in the city centre for their headquarters. Two areas with high concentration of such entities in the capital can be observed – the first at the intersection of Śródmieście, Ochota and Wola, and the second in the south-west Mokotów.

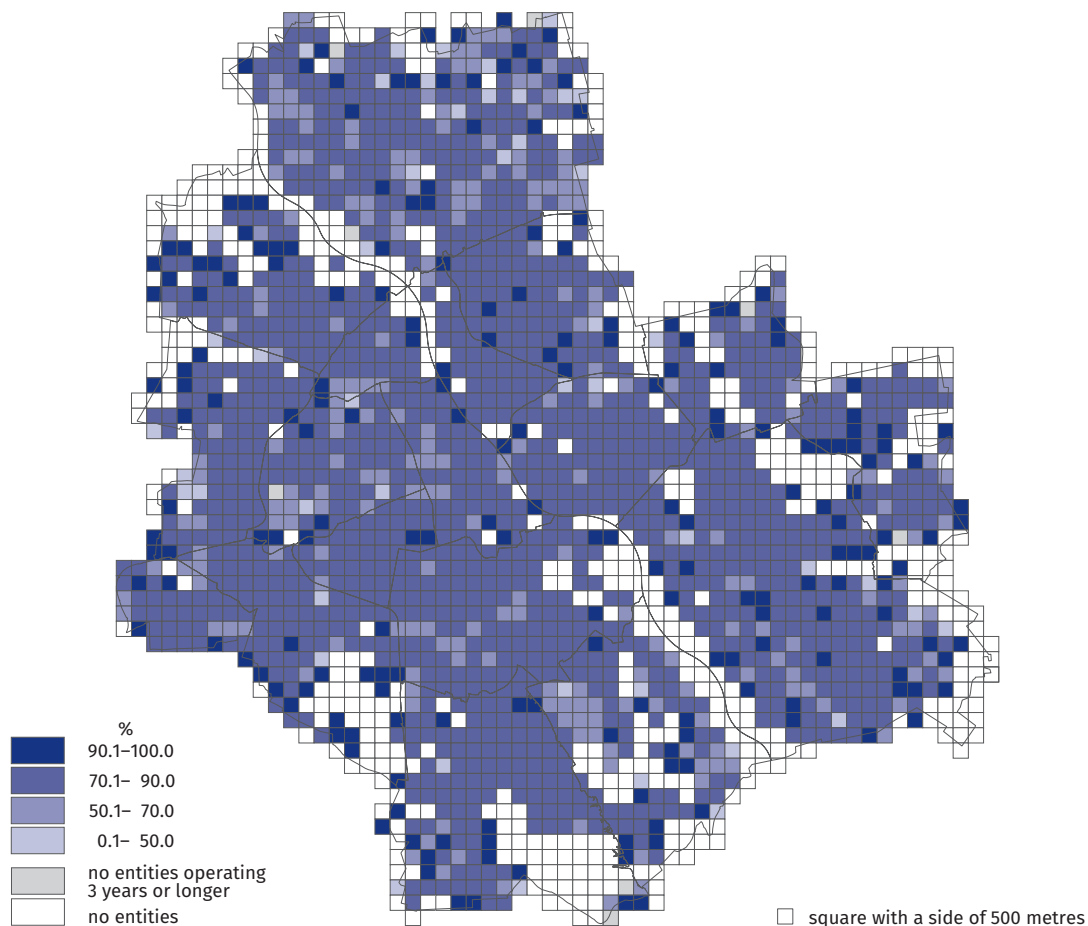
90.6% of entities with the majority of foreign capital were commercial companies. Most of the enterprises (32.6%) conducted economic activity in trade; repair of motor vehicles.

## Entities of the national economy conducting activity since 2018



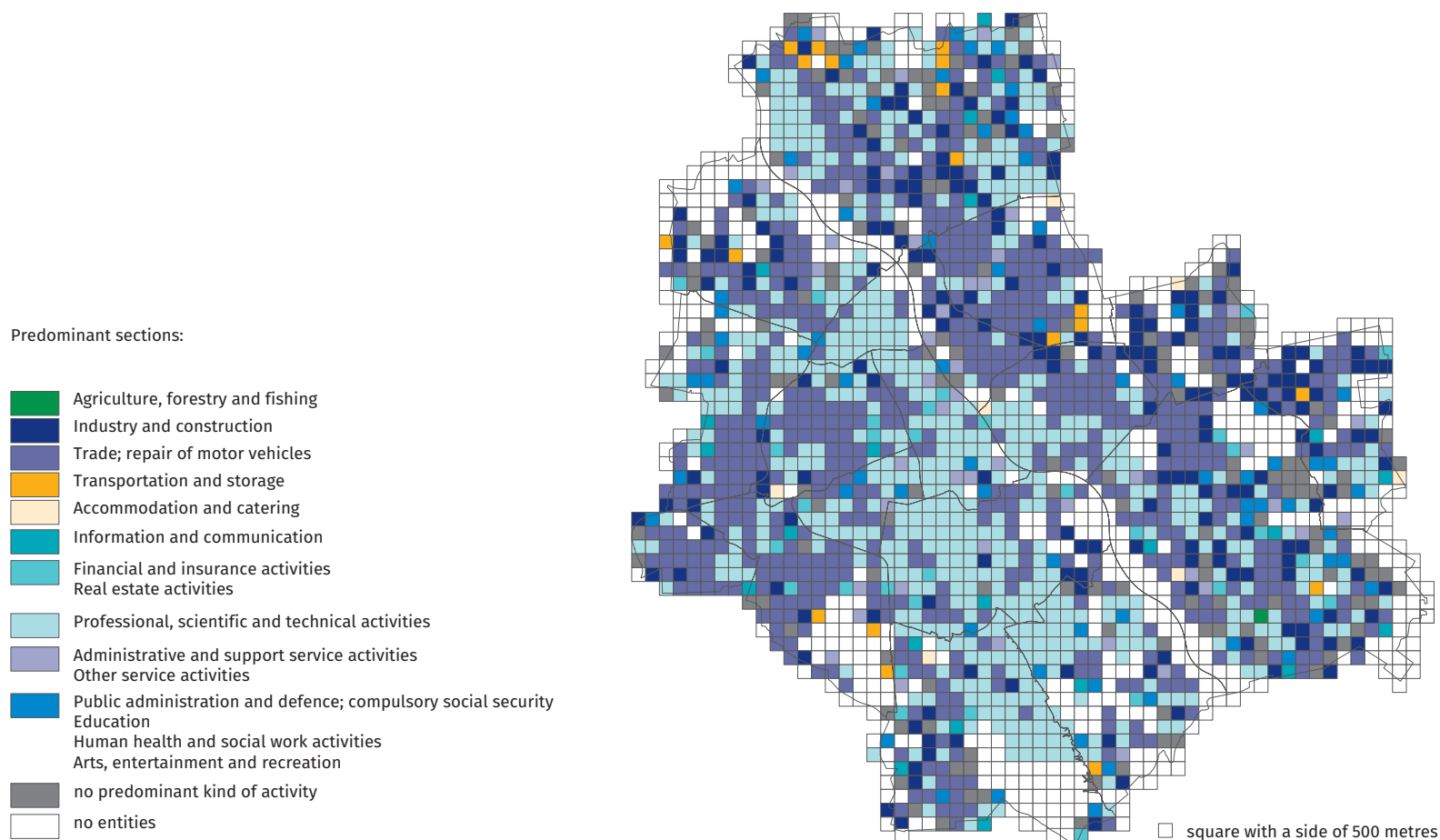
Among entities registered in the REGON register, units entered in 2018 accounted for 7.4%. They were most often located in Śródmieście (18.2% of all companies established in 2018), whereas in the eastern districts (Rembertów, Wesoła and Wawer) a total of 5.0% of units were registered. Almost every fourth newly registered entity conducted professional, scientific or technical activities. The highest share of companies registered in 2018 was recorded in the accommodation and catering section (11.2%).

## Share of entities of the national economy operating 3 years and longer



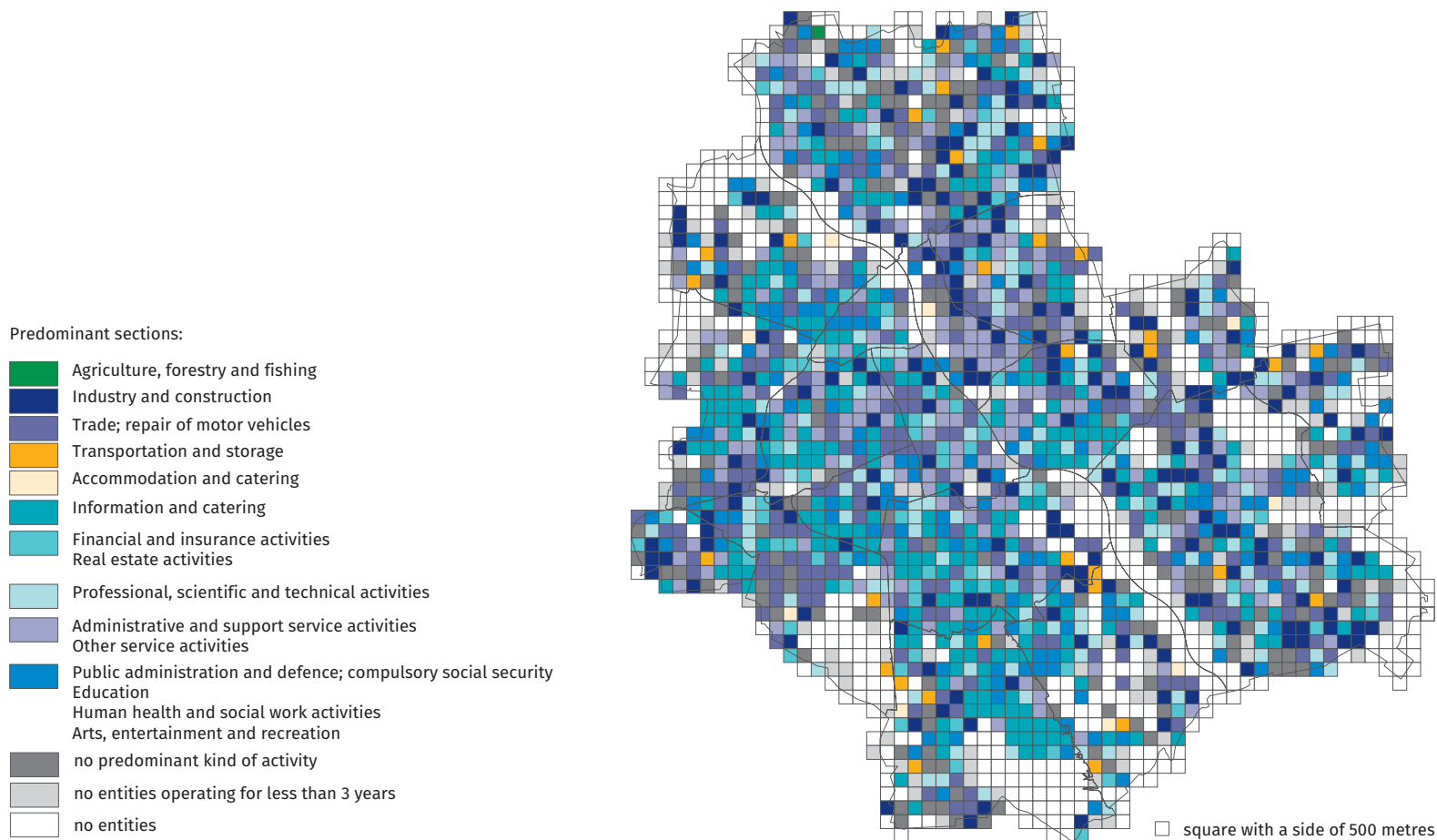
Over 2/3 of entities registered in Warsaw have been operating for at least 3 years. The highest share of such units can be observed on the outskirts of the city. Every fifth of them dealt with trade; repair of motor vehicles. The lowest percentage of entities operating for 3 years and longer was in the information and communication as well as administrative and support service activities sections and amounted to 67.4% and 68.5%, respectively.

## Entities of the national economy by predominant kind of activity



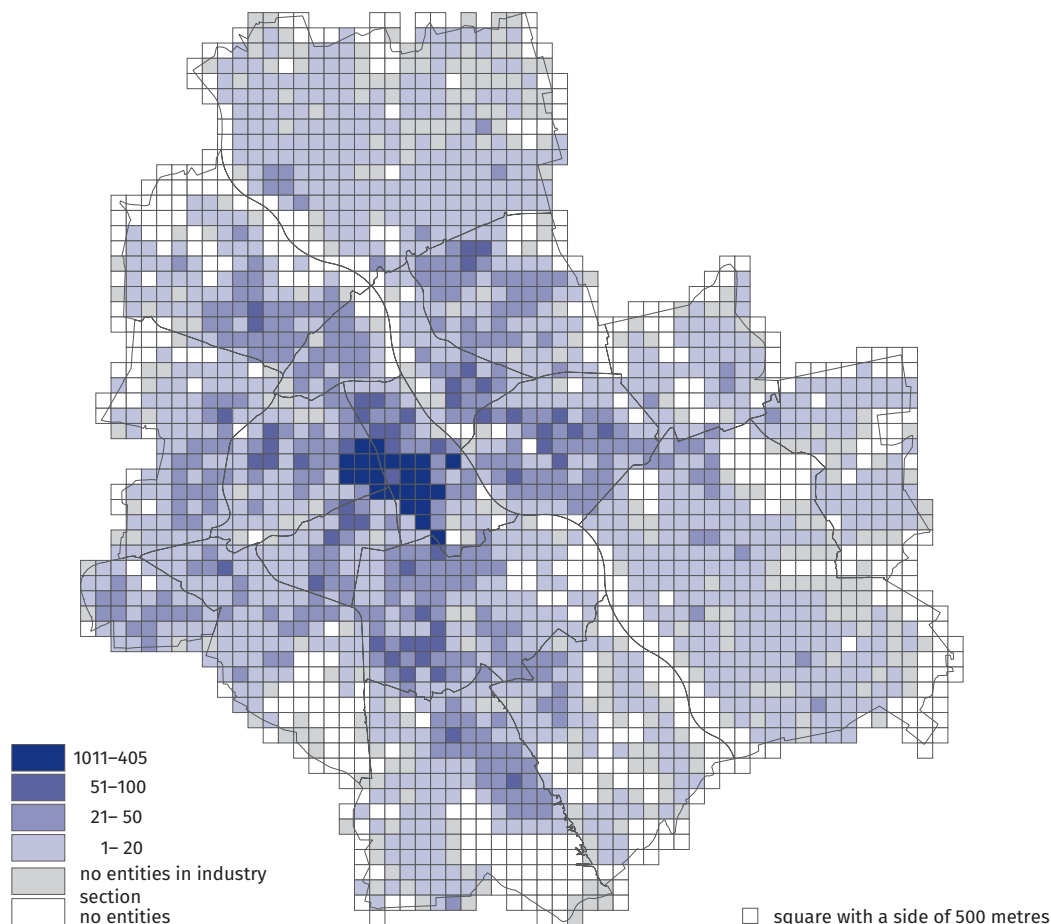
Among entities of the national economy registered in Warsaw, the most numerous group were units conducting professional, scientific and technical activities (19.5%) as well as trade, repair of motor vehicles (19.1%). The first section dominated in the majority of reference units in Śródmieście, Żoliborz, Mokotów, as well as in the part of Wilanów and Ursynów bordering Mokotów. Whereas the second section predominated in a significant area of left-bank Warsaw and the western part of the capital. In the northern and eastern parts of Warsaw, sections dealing with industry and construction prevailed much more often than in the remaining area.

## Entities of the national economy operating up to 3 years by predominant kind of activity



Both „young” companies that have been on the market for up to 3 years, as well as companies operating longer, most often dealt with professional, scientific and technical activities and with trade; repair of motor vehicles. However, you can notice a change in the share of these sections in the structure, depending on the period in which the entity was established. Units operating for less than 3 years more often conducted professional, scientific and technical activities in relation to „old’ companies (22.9% of all registered companies compared to 18.5%), whereas they were less often involved in trade; repair of motor vehicles (14.8% compared to 20.4%). „Young” companies more often registered activity in the information and communication section (an increase of 5.1 pp). The direction of changes is also visible in the structure of entities registered in 2018.

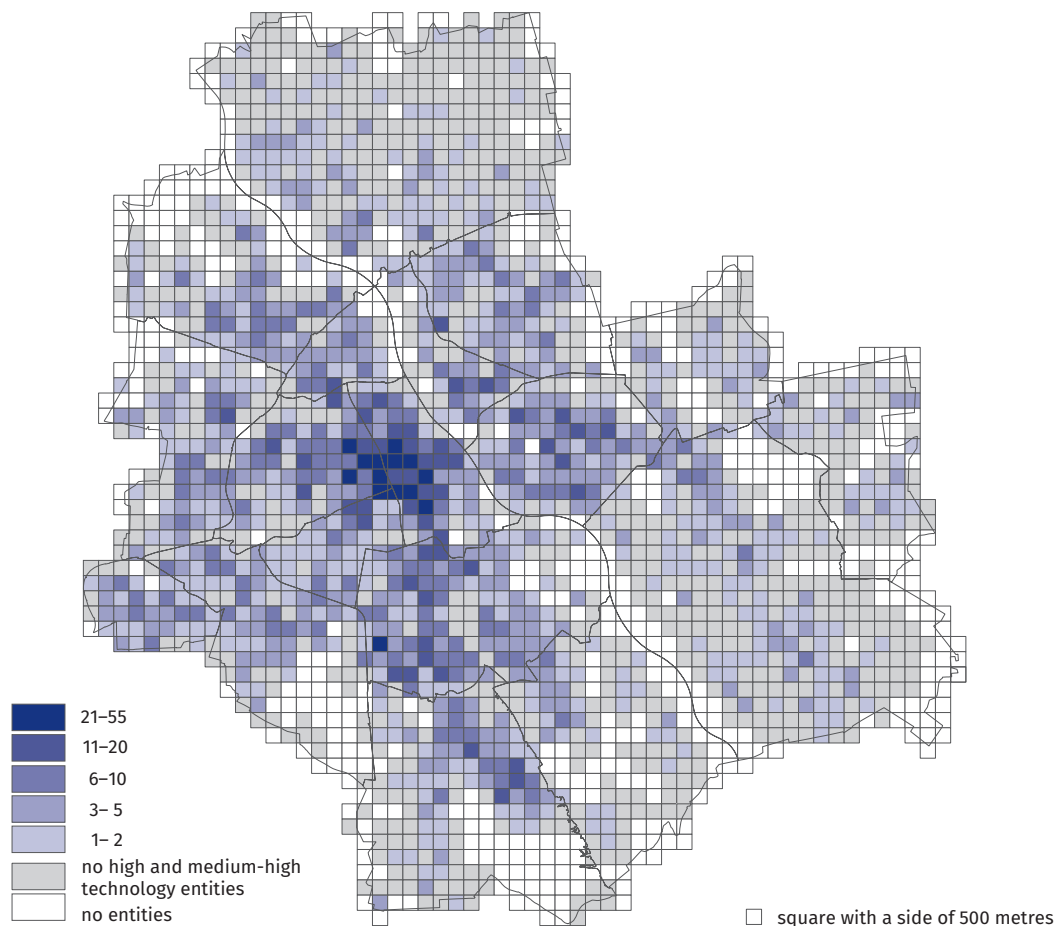
## Entities of the national economy conducting activity in industry



Entities dealing with industry accounted for 6.1% of all registered units. For their headquarters (mainly not identical to the place of conducting activity) they mainly chose the centre of the capital – every fourth entity of this section was located in Śródmieście or in Wola. Industry in Warsaw succumbed to the pressure of residential and office areas, which causes a slow loss of production functions in such districts as Mokotów, Targówek, Żoliborz and Bielany.

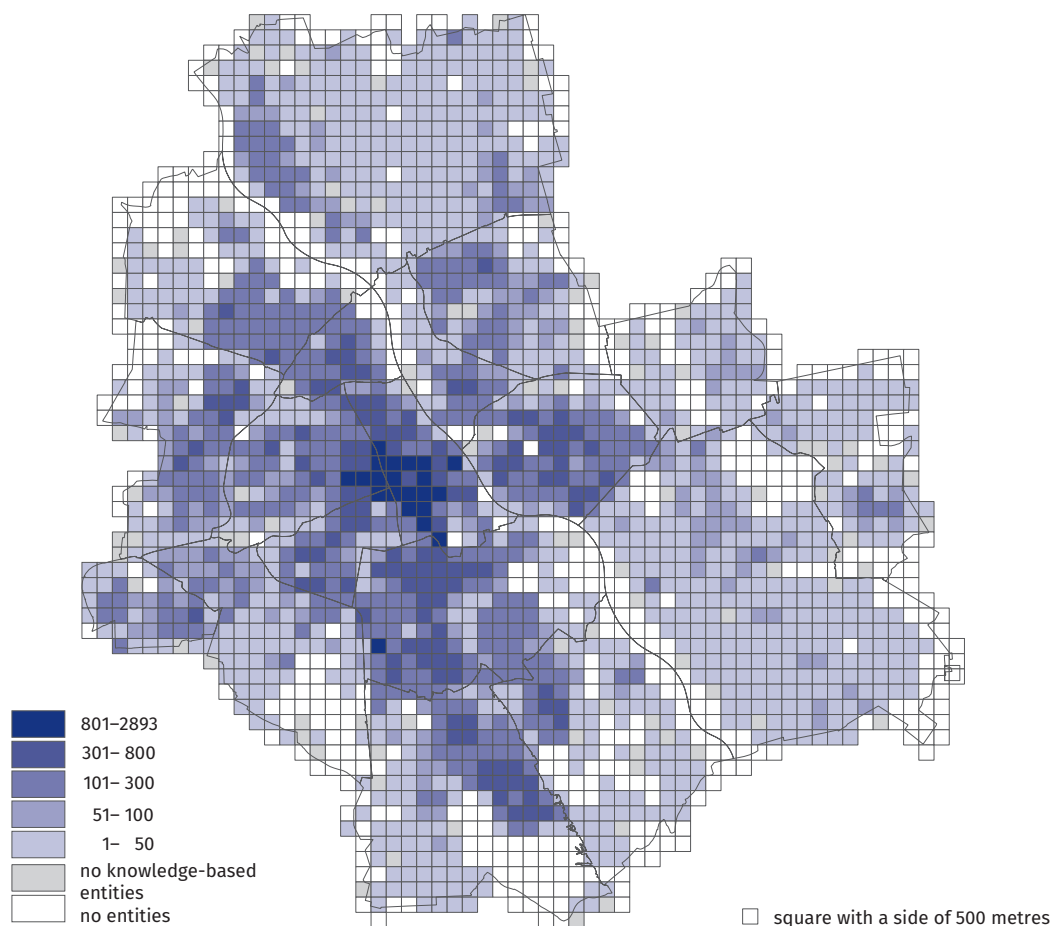


## Entities of the national economy of high and medium-high technology sector



The high and medium-high technology sectors arose at the interface between science and industry. Innovations introduced by enterprises of these sectors are crucial not only for their own development but also affect the growth of the economic potential of Warsaw and its surroundings. In the capital, high and medium-high technology entities dealing with manufacturing accounted for less than 1% of total units registered in the REGON register. They concentrated mainly in the centre and along the main communication routes. They basically did not occur in the outskirts of the city. More than 70% of high and medium-high technology entities had their headquarters in the left bank of the capital. Every fourth entity of the sector in question was involved in the manufacture of computer, electronic and optical equipment.

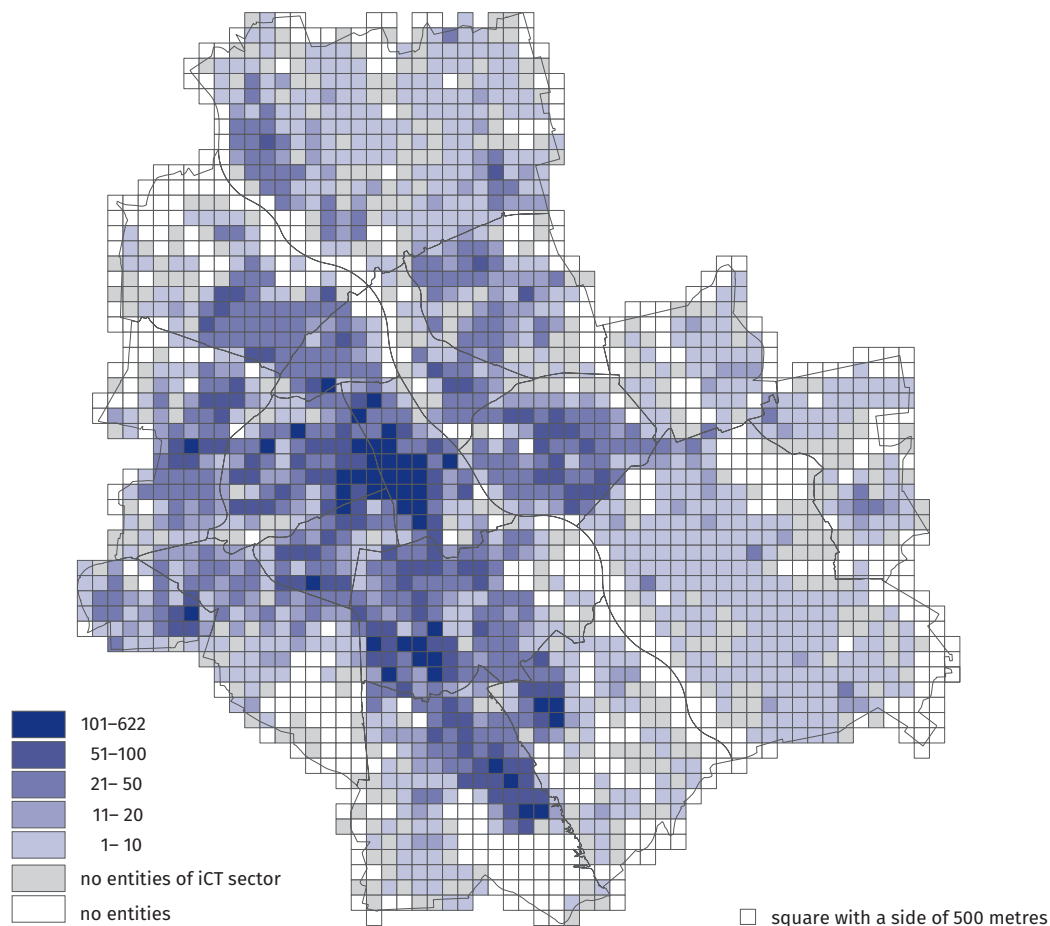
## Entities of the national economy providing knowledge-intensive services



Entities providing knowledge-intensive services, as high and medium-high technology sector enterprises, play an important role in the development of economy. Their share among units registered in Warsaw amounted to 43.4%. The vast majority (76.2%) had their headquarters west of the Visutla. In the right bank part of the capital, every third entity was located in Praga-Południe.

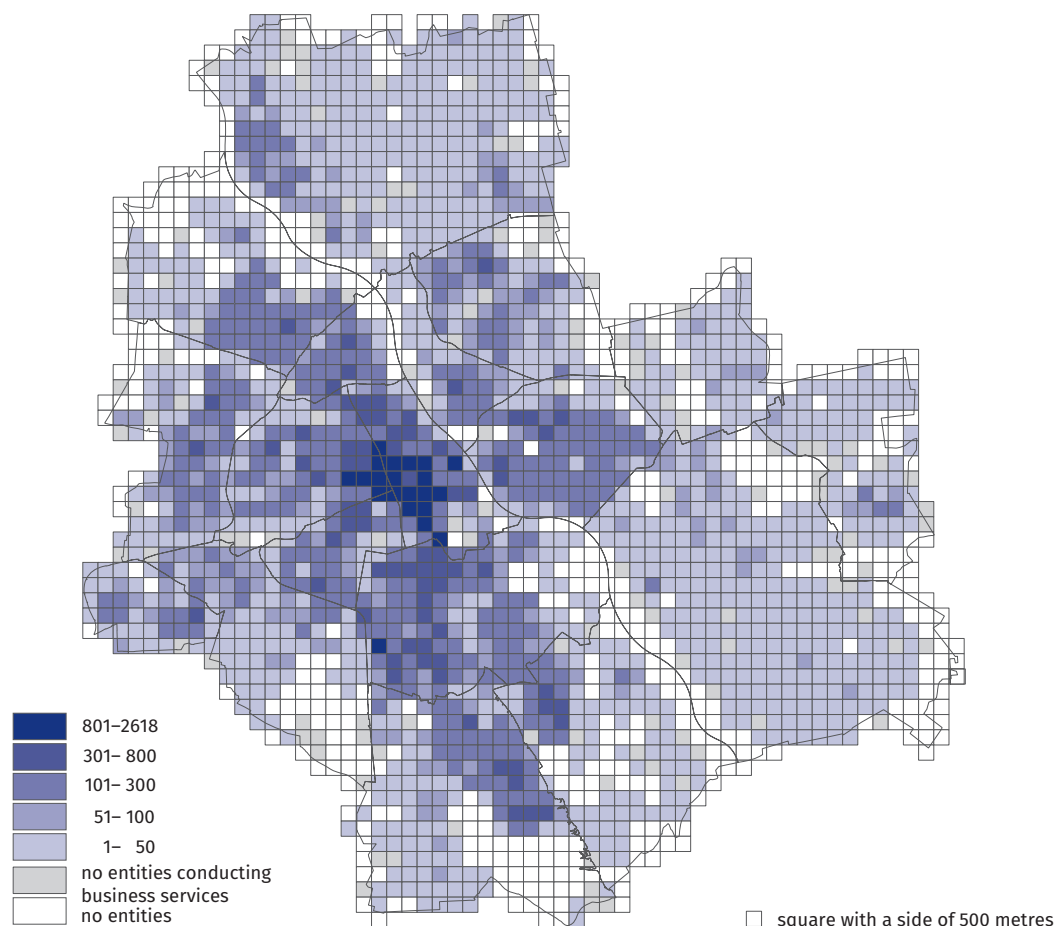
Every second unit providing knowledge-intensive services conducted professional, scientific and technical activities, in particular management consulting.

## Entities of the national economy of ICT sector



The ICT sector includes such enterprises that deal with production of such goods and provision of such services that enable electronic information processing and communication. Entities of this sector accounted for 8.0% of all units registered in Warsaw. High concentration of ICT sector enterprises was typical for central districts: Śródmieście, Wola and Mokotów, which concentrated 40.0% of all discussed entities.

## Entities of the national economy conducting business services



Warsaw, due to its location and functions it performs, provides great opportunities for entrepreneurship development. For companies, both newly established and already operating, it is important to be able to use such business services as, e.g.: legal, accounting activities, IT consulting, data processing or employment. Enterprises which declared their primary activity as provision of services related to economic activity services accounted for 36.9%, out of almost 415 thousand entities registered in the capital. The most accounted for companies conducting real estate activities (17.3% of surveyed units), activities related to software and consultancy in the field of IT and related activities (15.7%), as well as consultancy related to the management of the units (15.6%).

## Methodological notes

Presented data concern entities of the national economy recorded in the REGON register. The National Official Business Register, hereinafter referred to as REGON, is an administrative register held by the President of the Statistics Poland. The rules for running the register are defined by the Law on Official Statistics, dated 29 June 1995 (uniform text Journal of Laws 2016 item 1068) and the provisions of the decree of the Council of Ministers of 30 November 2015 (Journal of Laws 2009) on the mode and methodology of running and updating the business register, application, questionnaire and certificate specimen.

Presented data do not include local units and persons tending private farms in agriculture. Particular NACE Rev. 2 (PKD 2007) sections include entities according to the predominant kind of activity declared at the moment of registration or after the change submitted by the entity.

**Entity of the national economy** – a legal person, a organizational unit without legal personality and natural persons conducting economic activity. In the REGON system the term entity of the national economy is identical to the term legal entity. The fact of having legal personality is not a criterion for defining the entity as a legal entity.

**Natural persons conducting economic activity** – in the REGON register it is a natural person who is an entrepreneur in the understanding of the Act of 2 July 2004 on the freedom of economic activity and other natural person conducting economic activity on his/her own with the aim of gaining profits and natural person tending private farm in agriculture. Natural person conducting economic activity is one of three types of legal entities recorded in the REGON register.

**Commercial company** – a company whose establishment, organization, functioning, dissolution, merger, division, transformation is regulated by the Commercial Companies Code. Commercial companies are divided into partnerships (unlimited, professional, limited and joint-stock - limited) and limited companies (joint-stock and limited liability). They are required to obtain an entry in the National Court Register.

### Entities of high and medium-high technology sector

Sector	Manufacturing	Nace Rev. 2
High technology	Manufacture of basic pharmaceutical products and pharmaceutical preparations	21
	Manufacture of computer, electronic and optical products	26
	Manufacture of air and spacecraft and related machinery	30.3
Medium-high technology	Manufacture of chemicals and chemical products	20
	Manufacture of weapons and ammunition	25.4
	Manufacture of electrical equipment	27
	Manufacture of machinery and equipment n.e.c. not elsewhere classified	28
	Manufacture of motor vehicles, trailers and semi-trailers	29
	Manufacture of railway locomotives and rolling stock	30.2
	Manufacture of military fighting vehicles	30.4
	Manufacture of transport equipment not elsewhere classified	30.9
	Manufacture of medical and dental instruments and supplies	32.5

### Entities providing knowledge-intensive services

Sector		Services	Nace Rev. 2
Knowledge intensive services (KIS)	High-tech KIS	Motion picture, video and television programme production, soundrecording and music publishing activities	59
		Programming and broadcasting activities	60
		Telecommunications	61
		Computer programming, consultancy	62
		Information service activities	63
		Scientific research and development	72
	Market KIS (excluding financial intermediation and high-tech services)	Water transport	50
		Air transport	51
		Legal and accounting activities	69
		Activities of head offices, management consultancy activities	70
		Architectural and engineering activities; technical testing and analysis	71
		Advertising and market research	73
		Other professional, scientific and technical activities	74
		Employment activities	78
		Security and investigation activities	80
	Knowledge-intensive financial services	Financial and insurance activities	64-66
	Other knowledge-intensive services	Publishing activities	58
		Veterinary activities	75
		Public administration and defence; compulsory social security	84
		Education	85
		Human health and social work activities	86-88
		Arts, entertainment and recreation	90-93

### Entities of ICT sector

A definition of the ICT sector which is based on the Statistical Classification of Economic Activities in the European Community Nace Rev.2 (PKD 2007) covers:

- enterprises which deal with such manufacture of goods which enable information processing and communication by electronic means (including transmission and display),
- enterprises which deal with providing such services which enable information processing and communication by electronic means.

The ICT sector on the basis of the Statistical Classification of Economic Activities in the European Community NACE Rev. 2 (PKD 2007) covers the

ICT sector	Production sector	Nace Rev.2 (PKD 2007)
	Manufacture of electronic components	2611
	Manufacture of loaded electronic boards	2612
	Manufacture of computers and peripheral equipment	2620
	Manufacture of communication equipment	2630
	Manufacture of consumer electronics	2640
	Manufacture of magnetic and optical media	2680
	Services sector	
	Wholesale of computers, computer peripheral equipment and software	4651
	Wholesale of electronics and telecommunications equipment and parts	4652
	Publishing of computer games	5821
	Other software publishing	5829
	Wired telecommunications activities	6110
	Wireless telecommunications activities, excluding satellite telecommunications	6120
	Satellite telecommunications activities	6130
	Other telecommunications activities	6190
	Computer programming activities	6201
	Computer consultancy activities	6202
	Computer facilities management activities	6203
	Other information technology and computer service activities	6209
	Data processing; hosting and related activities	6311
	Web portals	6312
	Repair of computers and peripheral equipment	9511
	Repair of telecommunications equipment	9512

### Entities providing business services

As part of surveys conducted by Polish official statistics, business services include the following service activities according to the Polish Classification of Activities (Nace Rev. 2):

Sector	Services	Nace Rev. 2
Business services	Publishing activities	58
	Computer programming, consultancy and related activities	62
	Data processing, hosting and related activities; web portals	63.1
	Real estate activities	68
	legal and accounting activities	69
	Management consultancy activities	70.2
	Architectural and engineering activities; technical testing and analysis	71
	Advertising and market research	73
	Other professional, scientific and technical activities	74
	Employment activities	78
	Security and investigation activities	80
	Services to buildings and landscape activities	81
	Office administrative, office support and other business support activities	82

### Data completeness

The input set obtained from the REGON register had 430442 entities. In order to enable the presentation of address data on a map, it was necessary to include latitude and longitude information for each unit. The integration process assigned geographical coordinates for 414838 address points, which accounted for 96.4% of the input set. Entities, for which geographical coordinates could not be assigned (15604 units), were not included in further work. The loss of information related to the inability to assign geographical coordinates was similar in all groups of entities (see Table 1 on page 23).



Table 1. Completeness of entities with assigned geographical coordinates by groups

Specification	Number of records in the REGON base	Number of records with assigned geographical coordinates	the REGON base = 100
<b>Entities, total <sup>a</sup></b>	<b>430442</b>	<b>414838</b>	<b>96,4</b>
of which sections:			
Agriculture, forestry and fishing	1128	1066	94,5
Industry	26230	25152	95,9
Construction	30973	29902	96,5
Trade; repair of motor vehicles	85376	79422	93,0
Transportation and storage	21129	20606	97,5
Accommodation and catering	11958	11334	94,8
Information and communication	39193	38250	97,6
Financial and insurance activities	16247	15758	97,0
Real estate activities	26469	25885	97,8
Professional, scientific and technical activities	82787	80885	97,7
Administrative and support service activities	20510	19924	97,1
Public administration and national defence; compulsory social security	398	366	92,0
Education	14802	14464	97,7
Human health and social work activities	19145	18850	98,5
Arts, entertainment and recreation	7151	6948	97,2
Other service activities	26701	25797	96,6
<b>From the total number:</b>			
Natural persons	237773	231892	97,5
Entities with the majority of foreign capital	24769	22992	92,8
<b>By the number of employed persons</b>			
up to 9 persons	368496	355354	96,4
10–49	12438	11820	95,0
50–249	2780	2657	95,6
250 persons and	777	772	96,8
<b>By period of establishment</b>			
Conducting activity up to 3 years	333631	320094	95,9
of which registered in 2018	96811	94744	97,9
Operating for at least 3 years	31154	30619	98,3

<sup>a</sup> Including entities for which information on kind of predominant activity, legal status or expected number of employees does not exist in the REGON register.