

KAZAKHSTAN A COUNTRY OF GREAT OPPORTUNITIES FOR POLISH INVESTORS

Marek Multan, Vice President of Arcus SA, talks to „Polish Market”



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PM What is that the Arcus Group actually does?

The Arcus Group is a holding that brings together companies offering business solutions aimed at cost optimisation. It includes, among others, Arcus SA – one of Poland’s largest providers of office document management systems (copiers, printers, scanners, workflow) and mass correspondence management systems (mail sorters, postal and office equipment). Arcus SA is also the exclusive representative of Kyocera Document Solutions in Poland. The Arcus Group offers services aimed at optimising car fleet management costs. Arcus SA and T-matic Systems SA provide together IT solutions and services related to fleet monitoring (telematics), smart grids and intelligent ICT (information and communication technologies). It is the Arcus Group companies that carried out the largest in Poland implementation of smart meters. The third company making part of the Arcus Group is DocuSoft Sp. z o.o. manufacturing information and document flow systems. Its flagship product is the award-winning Vario.ONE system that allows to store documents in electronic version, thus significantly reducing the use of paper. Another company of the Group is Arcus Systemy Informatyczne, specialising in the integration of ICT solutions and implementation of ERP (enterprise resource planning) systems.

The biggest clients of the Arcus Group are banks, insurers, IT companies, postal and logistics operators and public administration both at central and local level.

PM How did it happen that the Arcus Group started investing in Kazakhstan?

Sometimes, when the issue of Arcus’s investment in Kazakhstan is raised in my conversations with managers in Poland, my interlocutors can hardly conceal their surprise. For many Polish business people, the borderland between Europe and Asia it is still a destination of exotic trips rather than a place to do business.

We are a Polish company with Polish capital and a natural market for us is Poland. However, we are constantly looking for ways to ensure the dynamic development of the whole Group. We operate in the high-tech sector, offering companies and institutions solutions that allow optimal management. We have years of experience in servicing large companies, both Polish and foreign. We work for renowned corporations such as Danone, Arcelor-Mittal, Volvo, MAN Trucks, Unilever, Benckiser, Skanska, Eiffage, Hertz, Mahle, Siemens, Asics, InterSport, Arval, KGHM, Orlen, Synevo, Roche, Nordea, mBank, Millennium Bank; for publishers of the opinion-making newspapers such as “Rzeczpospolita,” “Dziennik Gazeta Prawna;” for central government bodies, local self-governments and hundreds of large and small and medium-sized businesses.

Before making the investment decision, we researched a number of neighbouring markets. We considered Kazakhstan to be the most promising, although not free from certain systemic drawbacks. However, the extraordinary will and determination of the Kazakh people, both public authorities and society, to pursue the country’s development and modernisation aroused our respect and trust.

PM Is Kazakhstan a good place to invest in?

Kazakhstan offers unique business opportunities for Polish entrepreneurs. Our nations benefit from a special relationship that draws upon historical experience. In the past, which was not always easy, the Poles and the Kazakhs were somehow forced to work together as hundreds of thousands of Poles were deported to Kazakhstan. Had it not been for the support and help of the local population, they would not have been able to survive in completely unknown and difficult conditions. At the same time, the Poles proved to be loyal partners, honestly performing their obligations. These years of mutual assistance and common affliction are what makes today's relations between our countries exceptional and results in the Kazakhs having a lot of liking for the Poles. We are not anonymous for them and they have a vast knowledge of Polish customs and Polish culture. This is largely thanks to the local Polish community. According to various estimates, approx. 50,000 people of Polish descent live in Kazakhstan currently.

In many areas, we have a similar mentality and values, for example as regards family. We understand some of the nuances of the former Eastern bloc countries. A lot of Poles can still speak the Russian language and therefore are able to communicate with local partners more easily than entrepreneurs from other linguistic zones.

PM Is it a promising market?

Kazakhstan has embarked on the path of a rapid and sustained economic growth. It can be said that today's Kazakh economy is as dynamic as the Chinese one was a few years ago. The country is under transition from an economy based mainly on the extraction of natural resources into a value-added economy. Therefore, you can observe a strong trend towards modernisation in Kazakhstan. Both

entrepreneurs and government perfectly realise that the key to economic success is high competitiveness and innovation. That is why, Arcus's solutions, which help optimise business and pay less for corporate services, meet here with great interest.

PM What does the Arcus Group offer on the Kazakh market?

Our subsidiary Arcus Kazakhstan primarily offers correspondence management services (including specialised equipment, such as sorters, address printers, inserters), modern telematics solutions (car fleet and machine park management), media metering and workflow systems (Kyocera printers and copiers with a comprehensive management system of distributed structures). It is also probable that ERP solutions offered by Arcus Systemy Informatyczne will be provided by our Kazakh subsidiary too.

In Kazakhstan, there is a huge demand for modern IT solutions offered by Arcus. For local self-government bodies, as well as larger and smaller companies, improving efficiency and quality and reducing costs (in the case of printing and workflow up to 30 percent) is an exciting prospect. Also, a possibility to have a tight control over the machine park and car fleet is interesting. Our offer for the Kazakh market was made to meet the local needs and we are currently holding advanced talks with major companies, the government and local self-governments.

PM Does the Arcus Group cooperate with local partners in Kazakhstan?

The best option for us seems to be to transfer know-how to Kazakhstan and to implement it based on local staff. We are in the process of negotiating contracts with potential business partners. We want local contractors to participate in

executing contracts, because we believe that such a model of cooperation will be the most beneficial for all stakeholders. It makes it easier for us to get adapted to the specific nature of the Kazakh market, while our partners in Kazakhstan gain access to global know-how and the latest technological solutions offered by the Arcus Group.

PM What is the experience of the Arcus Group in business cooperation with Kazakhstan?

What we envy the Kazakhs is their huge enthusiasm, determination and desire for knowledge. Such feelings prevailed in Poland in the 1990s, but they have clearly dimmed ever since and we lack that spark.

Kazakhstan is developing rapidly and learning quickly. There are also some things that we, as a country, can learn from the Kazakhs. One of them is certainly the ability to plan long-term development. The state authorities have properly assessed their strengths and use the full range of natural resources and the mining potential of the country. At the same time, they strongly rely on human resources and technologies. The 2030 and 2050 development plans are ready, which points to a long-term vision of modernisation management, while also facilitating planning for foreign investors.

Turning the eyes of the world to Kazakhstan is not only the result of a rapid GDP growth. Businesspeople and politicians realise that the country connects Europe to Asia and it can be a gateway to cooperation with countries such as Pakistan, Iran and China.

The world does already today appreciate Kazakhstan's potential – the potential to be admired in all its glory during the Expo 2017 in Astana.

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