

*Marek Matraszek, Chairman, CEC Government Relations*  
*Keynote Presentation: Assessing the New Political Landscape in Poland*

**POLAND**



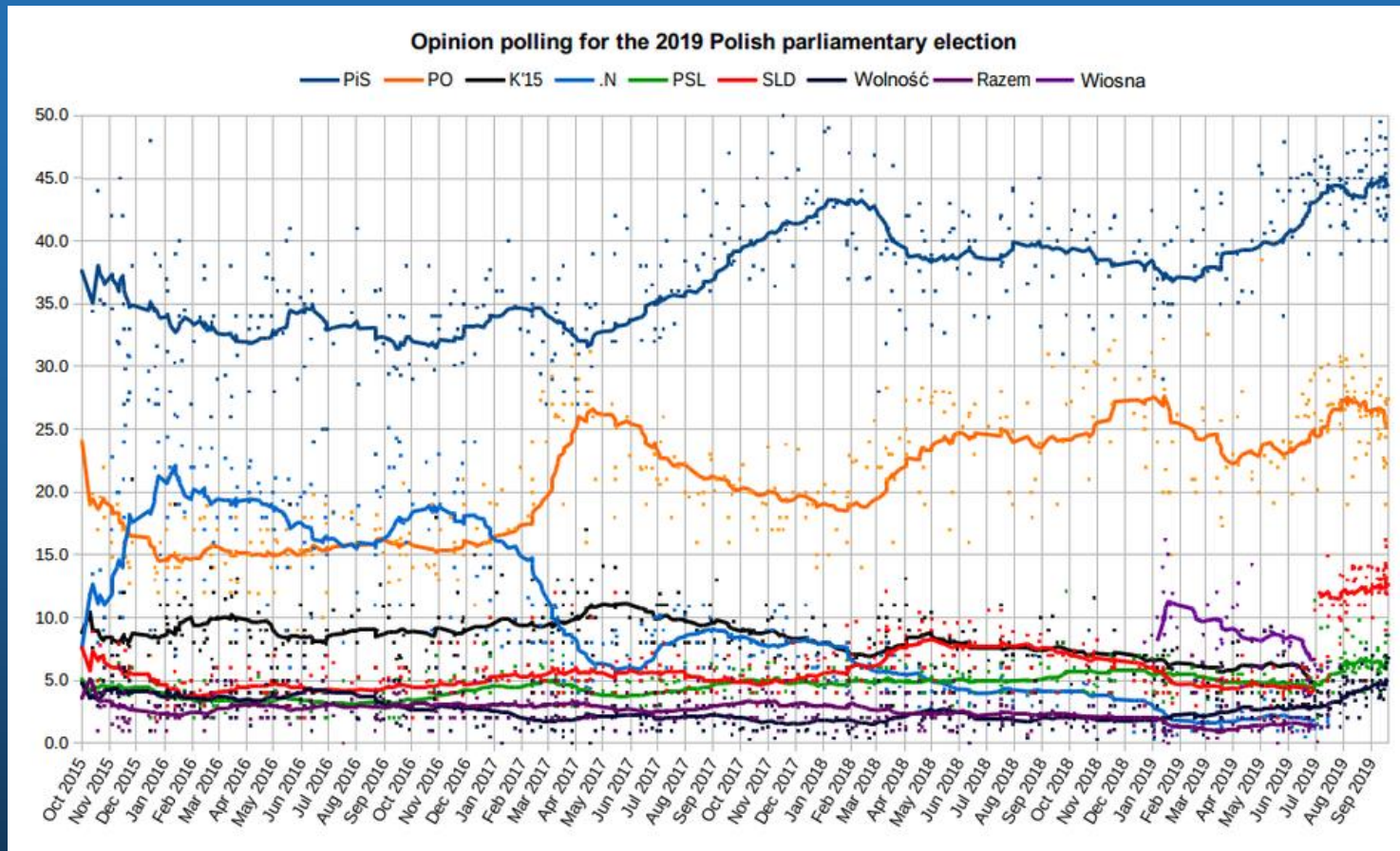
*CEE Summit*  
*Warsaw, 30th October 2019*

# *Poland Political Timeline*

- *October 13<sup>th</sup> 2019 Parliamentary Election: Law and Justice Party (PiS) Wins Unprecedented Second Overall Majority in Sejm (Lower House)*
- *PiS Loses Control of Senate (Upper House)*
- *New Mateusz Morawiecki Government to be Appointed mid-November 2019*
  - *Reshuffle to be Limited*
  - *Prospect of New Development Ministry*
  - *Changes in ministries of Energy, Environment, Finance*
  - *Revival of State Treasury Ministry*
    - *Impact on State Company Managements*
- **Spring 2020 Presidential Elections**

***2020 Will See End of Current Election Cycle:  
Next Electoral Test is Local Elections Autumn 2022***

# Polls and Result

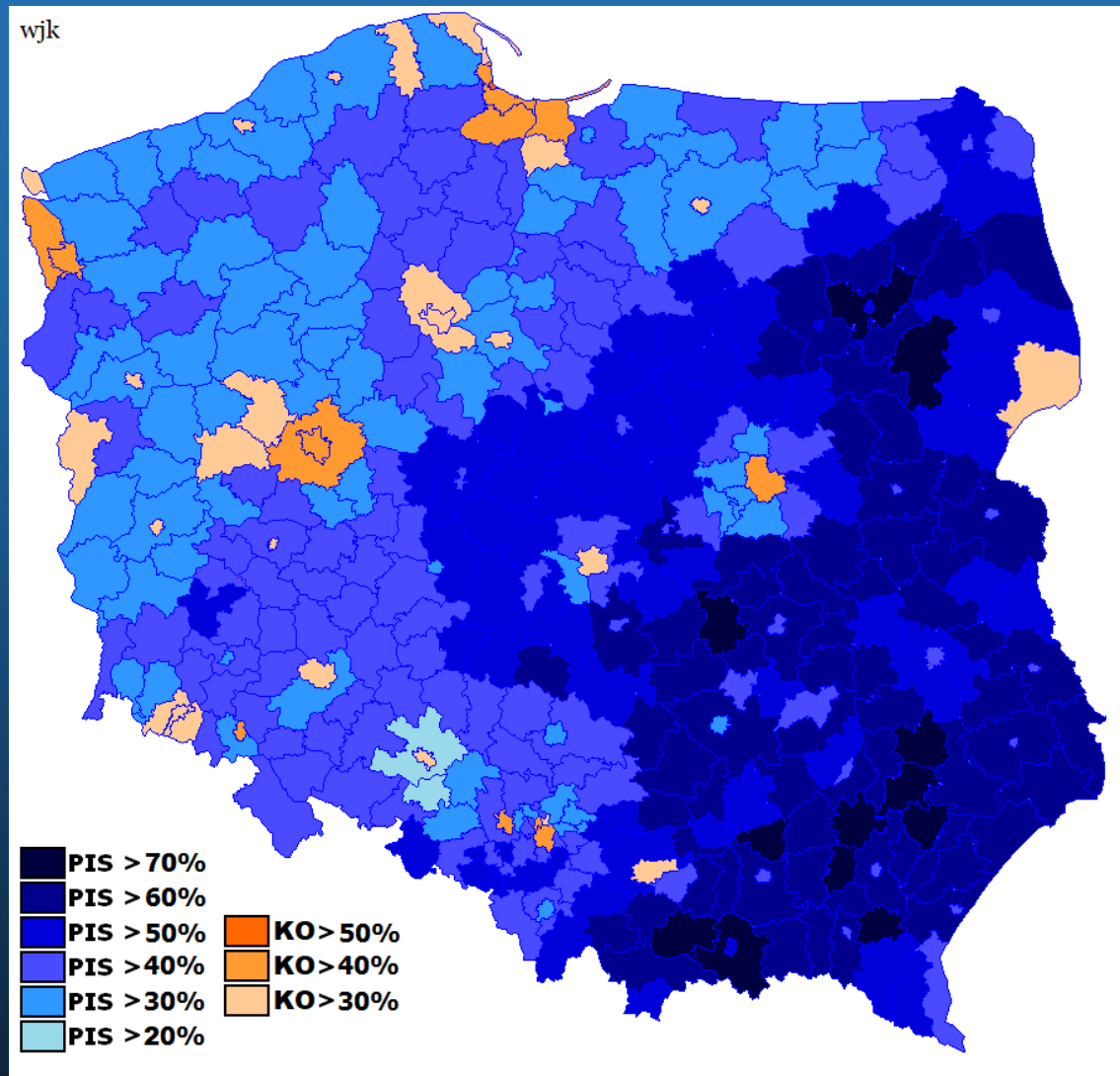


- **Law and Justice (PiS): 43.6%**
- **Civic Coalition (KO): 27.4%**
- **Democratic Left Alliance (SLD): 12.6%**
- **Polish Peoples' Party (PSL): 8.6%**
- **Confederation: 6.8%**

# *The Elections: Who Won?*

- *Cf Parliamentary Elections 2015*
- **Law and Justice (PiS)**
  - *PiS increases vote by 2.3mln and share of vote from 37.5% to 43.5%*
  - *Historic record for any party*
  - *Obtains 235 Seats in Sejm, Equalling Record of 2015*
  - *Highest ever turnout for any parliamentary election since 1989 (61.7%)*
  - *Gains increased plurality of votes at powiat level*
- **Civic Coalition (KO)**
  - *KO (2015) v combined PO/Modern (2015) shows increase of 200k votes, but share of vote falls to 27% c.f. combined share of 31% in 2015*
  - *KO loses 32 seats compared with combined PO and Modern seats 2015*
- **Democratic Left Alliance (SLD)**
  - *Enters parliament after four-year hiatus*
  - *600k more votes than comparable 2015 result*
- **Polish Peoples' Party (PSL)**
  - *Doubles number of voters (780k v. 1.6mln)*
  - *Makes significant inroads into smaller towns and cities (eg Wladyslaw Bartoszewski in Warsaw)*
- **Confederation**
  - *New entry to parliament*
  - *Adds 500k voters to 2015 equivalent*
  - *Achieves near parity of % vote in 18-29 voter cohort*
  - *Challenge to PiS from Right*

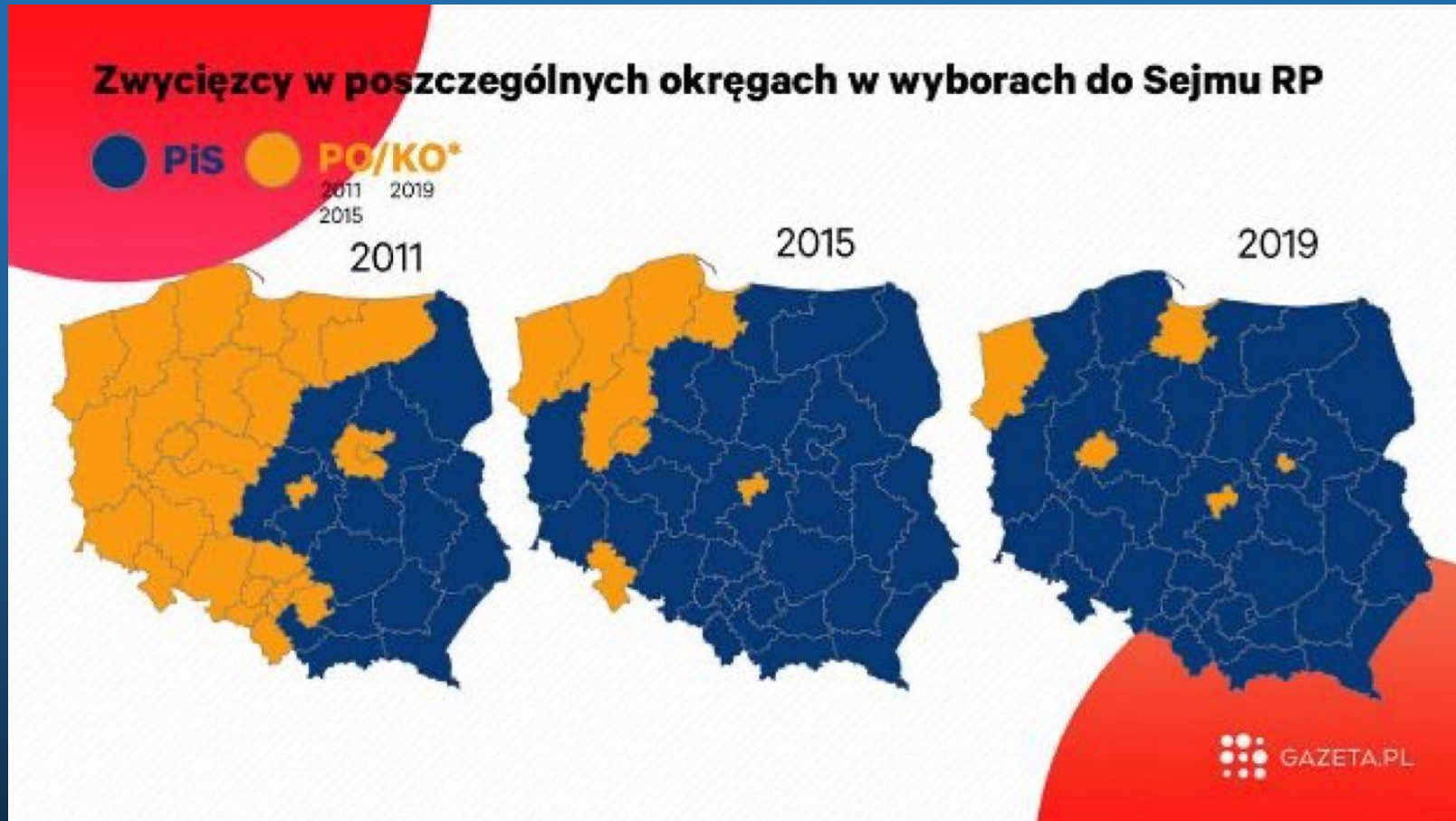
# October 13th 2019 Parliamentary Election Results



***Law and Justice Victorious in Majority of Communes***

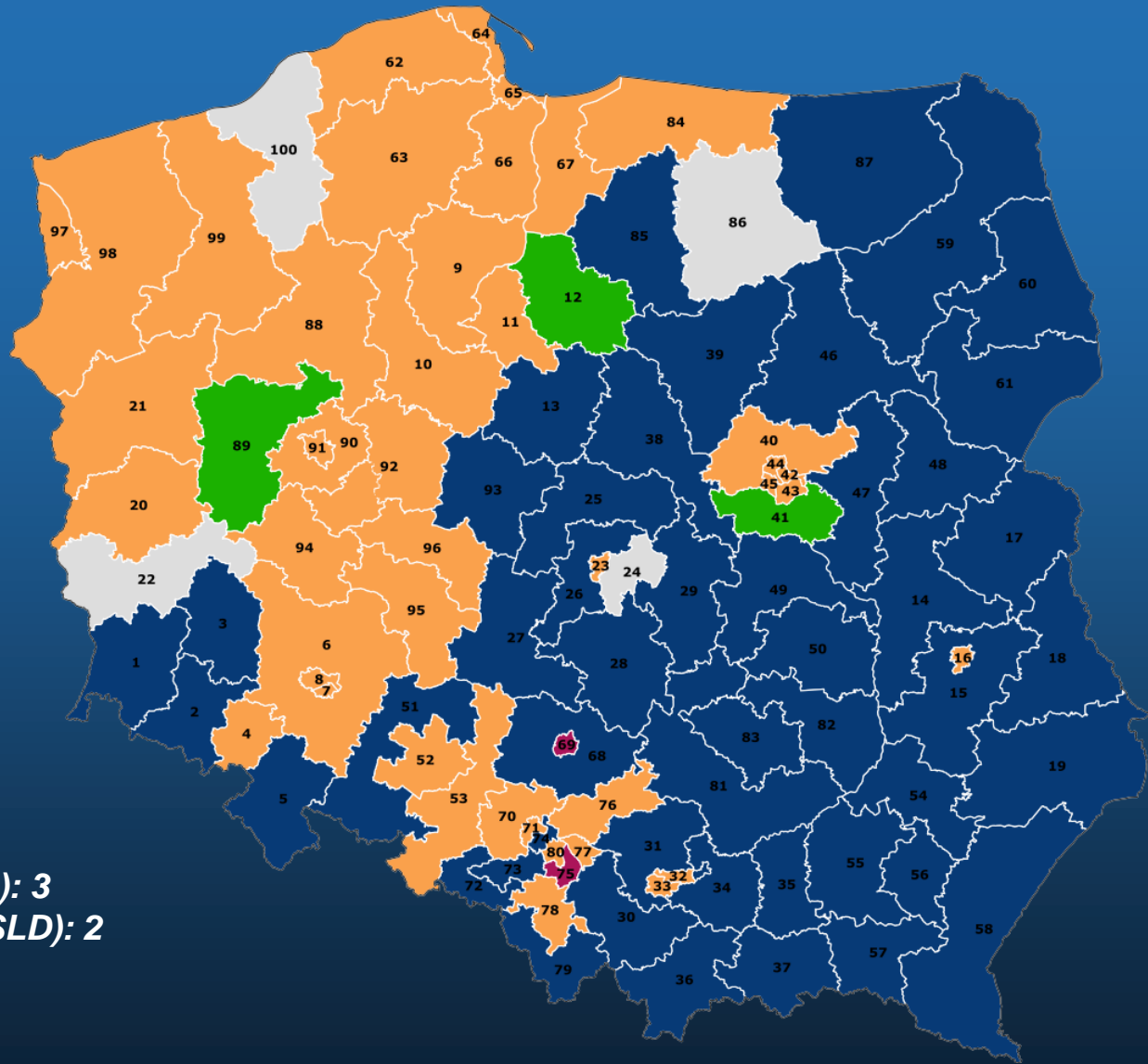


# 2011 - 2019 Parliamentary Election Results



***Law and Justice Gaining Increasing Constituency Dominance***

# October 13th 2019 Senate Election Results



- Law and Justice (PiS): 48
- Civic Coalition (KO): 43
- Polish Peoples' Party (PSL): 3
- Democratic Left Alliance (SLD): 2
- Independent: 4

**Law and Justice Wins Plurality but Loses Overall Majority**

# *The Political Impact*

- *Disappointment in PiS*
  - Result Below Expectations
  - Increased Influence of Junior Partners “Solidarna Polska”, “Porozumienie”
  - Dispute over Way Forward
    - *“Porozumienie” of Dep PM Gowin Seems to Have Upper Hand*
  - Loss of Senate
  - Challenge from “Confederation” Right
  - New Political Dynamic in Play
- *Enthusiasm in PO - Premature?*
  - Leadership of Grzegorz Schetyna Challenged
  - Splits over Presidential candidate
    - *Early Return of Donald Tusk Possible*
  - Growing Challenge from Left
  - Structural “Glass Ceiling” Seems Impenetrable
- *SLD Left Future Unclear*
  - Three Party Coalition Unstable, Confusion over Face of Left
- *Confederation Faces Challenge of Entrenchment v. Internal Division*
- *PSL May Be Long-Term Winner*
  - Attraction to Moderate, pro-Entrepreneur, Christian Democratic Centre
- *All Parties Turn Attention to Presidential Elections Spring 2020*
  - President Duda Already Campaigning
  - EU Council Head Donald Tusk Possible PO Candidate



# ***PiS Government Policy Priorities***

- ***Election Focussed on Economic and Welfare Agenda***
  - Raising the minimum wage (at end of 2020, 3,000 zł, end of 2023 4,000zł)
  - In 2021, most pensioners to receive additional monthly payout
  - 2 billion zloties to the fund for modernization of healthcare facilities
  - Increase in teachers' salaries in 2020 by 6%
  - Extension of 75+ drugs list
  - Equal pay for men and women
  - Continuation of the Housing+ program
- ***Establish Strong Political Control***
  - Continued Turnover of State Officials and Regulators?
  - Changes of Management of State Companies
  - Judicial Reform?
  - “Rebalance” Media (Traditional and Social)?
- ***Continued State Interventionism in Economy***
  - Focus on Jobs and Welfare
  - Support for State Owned “Champions”, eg PGZ, Over Private Sector
  - “Get Tough” on “Non-Productive” Foreign Investors, esp. Banks, Supermarkets
  - Support Polish SMEs Over Foreign Multinationals
    - *Note PM Gowin Veto of ZUS Ceiling Reform*
- ***NATO, US and EU***
  - Focus on Strategic US-Poland Relationship
  - Concerns Over Russia, eg. Energy Policy, Security, Ukraine
  - Eurosceptic but No Support for “Polexit”
    - *Look to Forge New Relationship with Post-Brexit Britain*
  - Germany Seen as “Competimate” Power
    - *Tension Over Nordstream 2, Migration Policy, Wartime Reparations*
    - *But Tacit Alliance re French Ambitions, Look to German Moderation on Rule of Law Issues*
  - Develop Regional Relationships (V4, Three Seas Initiative, Bucharest 9)

***Thank You***

***Marek Matraszek***  
***E: [mm@cecgr.com](mailto:mm@cecgr.com)***  
***M: +48601-336040***  
***W: [www.cecgr.com](http://www.cecgr.com)***  
***T: @matraszek***