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Grupa Azoty and AdVentures in search of innovation

How to build a Polish Silicon Valley? Create an innovation-friendly environment. Grupa Azoty, Poland's largest fertilizer and chemical group and one of Europe's key players in that market, has signed a cooperation agreement with the accelerator of the Poland Prize by AdVentures programme. Already in September, the accelerator team will start looking for business opportunities in Southern, Central and Eastern Europe.

Poland Prize is a new initiative of the Ministry of Entrepreneurship and Technology and the Polish Agency for Enterprise Development, designed to attract foreign startups to Poland. In the coming months, a team of AdVentures specialists and experts from Grupa Azoty will be looking for foreign startups with the greatest potential to support the development of the Polish economy.

"The world's most important hubs, such as the Silicon Valley or Tel Aviv, attract business talents from around the globe. The startup migration benefits the economies of these countries. A culturally diverse environment fuels new ideas and brings together different points of view and approaches to problem solving or doing business," says Grzegorz Kądziałowski, Vice President of Grupa Azoty S.A. "This encourages innovation, and only innovation can help us, Grupa Azoty, and the Polish economy as a whole, to successfully compete on the global market," he adds.

"A distinguishing feature of Poland Prize by AdVentures is that it offers cooperation with big business, so the accelerated startups stand a realistic chance of quickly implementing their technologies. Together with Grupa Azoty, we will be looking for startups in the following sectors: chemicals, biotechnology, electro-mobility (including hydrogen-based solutions), new materials (nanotechnologies), and space technologies (satellite)," explains Greg Banas, President of AdVentures. "We are interested in startups from anywhere in the world. Our scouting activities will be focused on Central and Eastern Europe, as well as Kazakhstan and Israel," he adds.

"We will not be cheaper than China or India. To develop economy, we need to arm ourselves with innovations in each area. Many of our neighbouring countries are already doing that. We want Poland to be a startup leader in Central and Eastern Europe. We want the best technologies to come to us, and we want to show that we are an innovation-friendly country," explains Grupa Azoty Vice President.

The startup journey will begin in September. For a month, two teams will visit the Baltic States, Belarus, Ukraine, Romania, Bulgaria and Hungary. They will also come to the Balkans, the Czech Republic and Slovakia. The

countries they will visit have different economies, different startup systems and thus different potentials. In Belarus, for example, there are many companies developing artificial intelligence technologies, while Kazakhstan focuses on robotics and mining processes. A very promising direction is also Romania, where startups specialize in cyber security. Israel, on the other hand, is one of the world's technological leaders, and Israeli startups view Poland as a large market and a gateway to the European Union.

In each country, the teams will meet with startup communities, accelerators, VC funds and scientists. The accelerator is expected to return home with "trophies". AdVentures intends to invite 20 outstanding startups to Poland. It plans to target ready-for-implementation technologies. It will be looking for Industry 4.0 products, i.e. products for automation and robotics in production lines, as well as biotechnology, heat and power, chemicals and pharmaceuticals, agriculture, space technologies, and electro-mobility.

'We will be looking for potential unicorns – companies that will be shortly valued at USD 1bn,' says Greg Banas of AdVentures. Prospects of winning a very large customer and a capital injection are to encourage the most promising startups to expand their operations in Poland. Funds for adjusting to the new environment, adapting the solution to a particular customer's needs, and for growing the business. 'The Polish Agency for Enterprise Development has provided us with PLN 5m for this purpose. However, this money is just the beginning. To integrate the foreign teams even better, we have started cooperation with the Polish heavyweight, that is Grupa Azoty, which is keenly interested in implementing innovations in its business,' adds Banas.

Thus, in early August an agreement was signed between AdVentures and Grupa Azoty. Grupa Azoty experts will help AdVentures pick up the most promising startups, and when they arrive in Poland, they will be taken care of during the acceleration process and given support in order to plan and effectively complete the implementation within the Group.

'During our journey, we will be focusing on what might prove useful for Grupa Azoty,' says Greg Banas. 'It is a huge organisation with a well-developed innovation department and ideas from each of the industries we are interested in can be useful. He gives space technologies as an example. The level of field fertilization can be monitored using satellite images. Electromobility, one of the key elements of the Sustainable Development Strategy, is another promising area. 'Grupa Azoty produces large quantities of pure hydrogen during fertilizer production. Until now, hydrogen had to be disposed of in an environmentally-safe manner. We will focus on developing technologies to use it in the production of hydrogen cells, which may help construct a Polish hydrogen battery,' explains Banas. 'By joining forces with Grupa Azoty, foreign startups can win their first reliable and solvent customer. In exchange, this leading Polish company will be given tools to become more competitive in an increasingly globalised world.

Participation in the Poland Prize programme complements Grupa Azoty's ongoing projects, including the Idea4Azoty programme. Conceived and launched by Grupa Azoty in November 2017, the Idea4Azoty accelerator is the first such programme on the Polish market offering support for innovative projects at any stage of development. Projects submitted so far span a range of topics, from environmental protection and waste management, through biotechnology, IT and chemistry, to power and materials engineering. Only a few months after the launch of its innovation accelerator programme Idea4Azoty, Grupa Azoty selected ten solutions with high implementation potential from among several dozen R&D projects submitted. A letter of intent was signed between Grupa Azoty and ScienceBioTech of Wrocław, one of the programme entrants, to develop and implement a technology for producing modular plates to be used in osteotomies. This brand-new solution is expected to replace the currently used techniques for stabilising fractured bones.

The Idea4Azoty programme was developed with Polish companies in mind, and Poland Prize is dedicated to foreign startups and is designed to attract them to Poland and provide them with appropriate conditions to join the Polish ecosystem.

The Poland Prize pilot programme is carried out as part of 'Start in Poland', a government programme supporting the development of startups, which aims to promote Poland as a country of first choice in Central Europe, where startups can be established and developed. The Poland Prize programme will not only benefit startups, but will also contribute to the growth of various sectors of the Polish economy, especially with regard to innovation and new technologies.

Since 2010, AdVentures has been engaged in providing support for the development of startups and spin-offs, market research, risk assessment, and preparation of financial forecasts. It prepares and assists in the

organisation of incubation and acceleration programmes (using public funds, such as e-Pioneer or Scale Up, funds from municipal and provincial authorities, as well as funds from individuals). It supports VC funds and corporations in scouting for startups and carrying out implementation work. Startups are offered services involving searchi for investors, preparation of offers (pitch, investment memorandum, one pager, valuation) and planning KPIs and processes. For more information, go to www.ad-ventures.pl

The Grupa Azoty Group is the undisputed leader of the fertilizer and chemical market in Poland and one of its key players in Europe. It is the second largest EU-based manufacturer of nitrogen and compound fertilizers, and its other products, including melamine, caprolactam, polyamide, oxo alcohols and titanium white, enjoy an equally strong standing in the chemical sector, with a wide range of applications in various industries. In May 2017, the Group unveiled its updated strategy until 2020. The key development areas cover completion of the Group's consolidation, reinforcing its leadership in agricultural solutions on the European market, strengthening the second operating pillar through expansion of the non-fertilizer business, as well as generating and implementing innovations to accelerate growth in the chemical sector. The Grupa Azoty Group is the integrator of Poland's chemical industry. By consolidating the plants in Tarnów, Puławy, Police and Kędzierzyn-Koźle, it has ensured that the key chemical companies have remained in Polish hands, while creating a number of cost synergies. By 2017, the consolidation of strategic procurement, production, maintenance, logistics and IT generated savings estimated at no less than PLN 710m. The integration has brought multiple benefits to the Polish economy, the Group as a whole, and its individual plants. For more information, go to www.grupaazoty.com