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Poland 2020

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Doing Business in Poland

Market Overview

Poland is an important and dynamic market located in the heart of Central Europe. American exporters and investors are drawn to Poland due to the country's large population, well-educated and competitive workforce, strong prospects for economic growth and location affording broader access to the European Union market of 500 million.

With 38 million people, Poland is the largest single market among the "new" European Union (EU) states. Poland joined the EU in 2004, and its adoption of EU legislation has led to economic reforms that have improved the environment for business and boosted economic growth.

With an estimated 2019 GDP of USD 592 billion Poland is the EU's tenth largest economy (6th by PPP). Poland's economy has performed consistently well in the period from 2014 - 19 with real GDP growth averaging over 4 percent a year. According to the World Bank, Poland's 2019 GDP growth was 4.1 percent. Growing exports, household consumption, low unemployment, rising wages and EU funds spending are the driving forces fueling the country's strong economic performance. In addition, infrastructure spending and capital investment (with EU support) have contributed to the growth. The EU budget for 2014 - 2020 has allocated EUR 104 billion (121.6 billion USD at current exchange rates) funds for Poland— 86 billion EUR of which are Structural and Investment Funds--thereby making Poland the biggest net EU funds beneficiary among all the member states. Poland's exports and imports were both valued at Poland's exports valued at USD 264 billion in 2019. Poland's chief export markets are: Germany 27.6%, Czech Republic 6.1%, UK 6%, France 5.8%; Italy 4.6%, and the Netherlands 4.4%, Russia 3.1% and USA 2.9%. In 2019, total bilateral trade in goods hit a new record totaling USD 14.33 billion, a 6.5% increase from 2018. U.S. exports in goods also hit a new record, increasing year-on-year by 11% to USD 6 billion with Polish exports to the U.S. accounting for approximately USD 8.4 Billion. Poland now ranks as the United States 38th largest export market. There remains abundant potential for U.S. firms. Poles continue to demonstrate a strong affinity for the United States and its products. This, in addition to the size and location of the domestic market, and the access it affords to the larger EU market, makes Poland a very promising export market for American firms.

Poland is open to foreign investment, and American companies represent one of the largest groups of foreign investors in the country. Official statistics put the stock of U.S. FDI in Poland at nearly USD 13 billion, but the volume could be closer to USD 63 billion when considering the amounts routed through U.S. subsidiaries in other EU countries. U.S. companies operate in a wide range of industry sectors. Leading sectors have historically included automotive, aerospace, information technology hardware and software, food products, transportation and pharmaceuticals, paper production, appliances and financial services. Investment and export opportunities exist in the energy sector as Poland seeks to diversify its energy mix, as well as in defense and digital technologies. Poland is also a popular location for business processing centers, including call centers, shared services centers and research and development operations.

Market Challenges

Poland's GDP per capita of USD 33,844 continues to be less than Western EU countries, representing 72 percent of the EU average. Net household disposable income is USD 19,814, less than the OECD average of USD 33,604. There is a considerable gap between the richest and poorest – the top 20% of the population earn close to five times as much as the bottom 20%.

Poland's overall commercial climate is positive. The country is open to foreign investment as a source of capital, growth and jobs, and as a vehicle for technology transfer, research and development (R&D), and integration into global supply chains. There are some limits on foreign ownership of companies in selected strategic sectors, and limits on the acquisition of real estate, especially agricultural and forest land. In March 2018, the

Sunday Trade Ban legislation went into effect, which is gradually phasing out Sunday retail commerce in Poland. From 2020 onward the law will allow for Sunday shopping on Sundays preceding Christmas, one Sunday before Easter and the last Sunday of January, April, June, and August of each calendar year. Polish authorities have publicly favored introducing a digital services tax. Since no draft has been released, the details of such a tax are unknown, but it would mainly affect foreign digital companies. Some investors have expressed concern about a lack of predictability, noting that policies are sometimes introduced quickly and without broad consultation, and that the role that state-owned firms have in the Polish economy can create obstacles to long-term growth.

There are concerns that increased spending on social benefits and higher defense spending coupled with a reduction in the retirement age and a tight labor market will constrain GDP growth going forward, Poland's economy is projected to perform well in the next few years in part because of an anticipated cyclical increase in the use of its EU development funds and continued, robust household spending. Poland's low birth rate, fast growth and emigration have created a shortage of labor. Low unemployment in the larger cities drives firms to compete for qualified workers, and Poland has seen an influx of foreign workers, many from Ukraine, who help to balance any loss of domestic workers.

Poland is among the global leaders for doing business and was ranked Poland 40th on the World Bank's "Ease of Doing Business Index." Compared to other countries, Poland does well when it comes to cross-border trading and credit access and is improving in areas such as enforcing contracts and collecting taxes. Corruption is not a widespread problem in Poland. The country ranks 41st out of 180 countries on Transparency International's Corruption Perception Index.

Market Opportunities

As a member of NATO, Poland continues to meet its commitment to spend at least two percent of GDP on defense and 20 percent of defense spending on equipment and infrastructure and will gradually increase annual defense spending to 2.5 percent of GDP by 2030.

There are currently more than 120 active Foreign Military Sales (FMS) cases in Poland. In 2020, FMS expenditures have already reached more than \$4.67 billion, much of which is accounted for by Poland's recent acquisition of F-35 fighter aircraft, the PATRIOT air and missile defense system and the High Mobility Artillery Rocket System (HIMARS), Joint Air-to-Surface Standoff Missiles (JASSM) and Javelin Anti-Tank Missiles.

Poland is the largest net recipient of EU Structural and Investment funds, with USD 121.6 billion budgeted from 2014-2020. Current plans are to use funds to support continued infrastructure development, including improving internet access and developing smart cities, and encouraging companies to conduct research and development in Poland. In the upcoming EU budget, initial estimates indicate Poland may receive as much as 24% fewer EU funds due to rapid growth, a change in EU funding priorities, and Brexit.

Digital technologies are an important and growing sector in Poland. There is a strong demand for information technology and solutions to support advanced manufacturing, smart cities, the Internet of Things (IOT), cloud computing and cybersecurity all offering potential for American exporters.

As Poland seeks to diversify its energy sources and to modernize its electricity generation and distribution systems, U.S. companies will find opportunities in the engineering and construction of pipelines and infrastructure to support natural gas storage and transmission as well as exports of U.S. LNG. The construction of new power plants to replace older, less efficient coal burning plants, a modernization of the electrical grid, including smart grid technologies, and the development nuclear power and offshore wind also hold potential.

Poland continues to devote sizeable resources to improving its transportation infrastructure. Many projects to improve the country's roads, railways and waterways benefit from EU funds. This increased investment has also led to the rapid development of Intelligent Transport Systems (ITS), which have become an important part

of highway and road infrastructure projects. From 2014 – 2023, the Government plans to spend USD 12 billion to improve safety standards as well as roads management, which, in large part would be spent on ITS.

Engineering and green-building services firms may find opportunities in Poland's need for premium office space and retail sector expansion. Firms with experience in 'zero emission' buildings and LEED ratings will find the greatest opportunities due to application of EU standards. Many additional opportunities exist for firms offering products that improve energy efficiency. These top prospects are covered in depth under "Leading Sectors for U.S. Exports and Investment."

Other important sectors are agricultural products and agricultural machinery and equipment and environmental technologies.

While the U.S. share of Poland's import market remains small, at approximately 2%, U.S. exporters have found considerable success targeting competitive niches, using effective market-entry strategies, and diligently following up with marketing and sales support.

Market Entry Strategy

Poland's population is widely dispersed. A quarter of Poles live in rural areas, while urban dwellers are spread among many population centers, including Warsaw and Lodz in the center of the country, Krakow and Katowice in the south, Wroclaw and Poznan in the west, Gdansk and Szczecin in the north, and Lublin in the southeast.

Urban consumers generally have greater purchasing power than their rural counterparts. Personal contact with the customer is critical and final purchasing decisions typically require a face-to-face meeting. Success in this market typically requires an in-country presence, such as an agent, distributor, or representative office.

While the number of English speakers in Poland is rising, particularly in cities, communication in Polish is recommended to elicit prompt responses to offers and inquiries and to facilitate negotiations. Poland's communication network is relatively well developed, and e-mail communications and website offerings are an effective means of reaching local buyers.

Pricing is the most critical factor in positioning a product or service for sale in Poland. Access to capital is difficult for most Polish firms, and business transactions are typically self-financed. U.S. firms that can arrange financing will have a competitive edge. U.S. exporters should develop a creative strategy for financing exports. Pricing is always a challenge for some U.S. exporters, especially as Poles often make decisions on price alone. Careful crafting of terms of sale, including creative packaging of currency and pricing terms, will help U.S. exporters gain a long-term advantage in the current Polish market.

Leading Sectors for U.S. Exports and Investment

Advanced Manufacturing

Overview

Industry 4.0 refers to the adoption of automation and data exchange in manufacturing technologies. It includes cyberphysical systems, the Internet of Things (IoT), cloud computing, and cognitive computing. Industry 4.0 is commonly referred to as the fourth industrial revolution.

Industry 4.0 creates what has been called a “smart factory.” Within the modular structured smart factories, cyber-physical systems monitor physical processes, create a virtual copy of the physical world, and make decentralized decisions. Over the IoT, cyber-physical systems communicate and cooperate with each other and with humans in real-time both internally and across organizational services offered and used by participants in the value chain.

Poland is a growing manufacturing power in Europe, and there is increased demand for new and innovative manufacturing technologies. The Polish Government is pushing the development and investment in new technologies, such as additive manufacturing, that will drive Poland’s economy to the next level, and there are grants and other resources available to support innovative R&D.

Poland is the sixth largest manufacturing country within the EU, with manufacturing contributing 22.4 percent of the country’s GDP. Leading manufacturing sectors include: food and beverages; automotive; metal products; coke and refined petroleum products; rubber and plastic; chemicals and chemical products; non-metallic mineral products; basic metal products; miscellaneous machinery and equipment, furniture, and electrical equipment. In 2019, production in manufacturing companies employing over than 10 employees, the production grew by 4%, comparing to previous year.

The Polish Government’s economic development agenda heavily focuses on supporting innovation. Poland currently ranks as a moderately innovative country (25th place in the Bloomberg Innovation Index) as measured by R&D spending, manufacturing capability and high-tech companies’ presence. To help Polish industry move to the next level, the Polish Government launched its Industry 4.0 Platform in 2019. The aim of this project is to increase the innovativeness of Polish companies, popularizing knowledge about 4.0 processes and developing competences in areas such as robotics and automation.

According to Autodesk study, 70% of Polish companies noted an increase in revenues after investing in digitization of their companies. Also, 75% of companies intend to introduce advanced manufacturing solutions in their companies in the future.

According to the Polish officials, the amount of investment in innovation in Poland equals \$9 billion, and more than 300 R&D centers have been created in the last few years to improve innovation. One of the most innovative investments of last years was a 3M SuperHub in Wroclaw, a modern production plant which became a model for the region. The plant, called the “manufacturing plant of the future”, has highly automated production and supply chain, as well as modern safety and security measures controlled by drones. U.S. companies like Raytheon have partnerships with Polish educational institutions to increase engineering capabilities and develop the manufacturing process of their Polish partners and support engineering and robotics education among Polish students.

The Polish Government provides a number of incentives to support advanced manufacturing and industrial transformation through tax incentives and a robust grant system to support research and innovation surrounding manufacturing. Grants are provided to support industry research, and experimental means of production that are likely to be implemented in manufacturing. These projects, with a budget of USD 200 million, are supervised by the National Center for Research and Development (NCBiR) and the Agency for Industry Development (ARP). Specific European Projects within the Operational Program “Intelligent

Development” might also be dedicated for innovative projects. In 2019, companies could apply for USD 395 million for subventions for innovations in their companies, as well as for almost USD 300 million for R&D.

Polish companies can also compete for funds from the European “Horizon 2020” program, which awards Euro 500 million to organizations through 2020 for digital innovation centers and free flow data projects in six industries: automotive, space, defense, textiles, maritime technologies, and tourism. The new European perspective has not been defined yet, but the Polish government has already announced that it will allow the government spending USD 15 billion for investments in innovation from European funds starting from 2021.

Poland continues to heavily invest in and develop its 4G networks and to integrate digital technologies with the cloud. The government sees expanding this infrastructure as key to making the transition to Industry 4.0; and has declared it will make further investments in a fiber optic and faster internet infrastructure. 5G development will begin in 2020, with the 5G network becoming available in most large Polish cities by 2022. Industry experts also see extensive investments in digital technologies as inevitable as they are the only way to allow Polish manufacturers to stay competitive on the domestic and international markets, especially as labor as labor shortages and labor costs rise.

While Poland is ripe for exploiting opportunities in advance manufacturing, the country does need to overcome some obstacles that may hold Polish industry back: specific regulations and a lack of technological standards, shortages of experts in the field, limitations of existing digital technologies, and a reluctance to adopt new solutions. There is also a need to introduce ethical and legal standards for the use of artificial intelligence and robots that are being discussed at the EU level.

Leading Sub-Sectors

New technologies will be especially important in the aviation, defense, and automotive industries. Polish suppliers are already a large part of the manufacturing process in these industries, and manufacturers must meet the technological standards of their suppliers. Industry 4.0 is also spreading to logistics and storage operations. In terms of Industry 4.0, the most promising sectors are automotive and aviation, followed by pharmaceuticals and household appliances.

Both the automotive and aerospace industries are important to Poland’s manufacturing sector. Automotive manufacturing, with over 202,700 employees, a production of 649.9 thousand motor vehicles in 2019, 10.5 % of production sold is a very important part of the Polish industry which gives impetus to the whole Polish economy. Many OEMs, such as Fiat, Toyota, VW and Opel, among others, have made investments in Poland, and their Tier 1 and Tier 2 suppliers, such as Lear, Delphi, Federal Mogul, Tenneco, etc., have followed them. In 2019, Poland produced over 600,000 vehicles. Poland manufactures engines (Daimler, PSA, Volkswagen Motor), tires (Goodyear, Michelin, Bridgestone), parts and components (Valeo, Hutchinson, BorgWarner, Faurecia, Johnson Controls, Delphi). Moreover, there are several R&D centers located in the country, such as Delphi, Wabco, Faurecia, Nexteer, Tenneco and Eaton. Furthermore, Poland is the region’s largest automotive market in terms of sales and services.

Each year, new investments in the automotive sector are established. Lately, Mercedes decided to manufacture engines in Poland. The brand-new plant, which should start operating in 2020, represents an investment of over \$650 million and will generate employment for 1000 people. The factory will represent an example of Industry 4.0 manufacturing.

Aerospace is a dynamic and growing sector of Poland’s economy. Global demand for Polish-made products and increasing air passenger travel and development of associated infrastructure drive this growth. Aerospace manufacturing is largely centered in the Aviation Valley – a specialized industry cluster in Southeast Poland with a large concentration of aerospace OEMs, scientific research centers and educational and training facilities, with over 160 companies and more than 30,000 employees. International companies such as

Sikorsky, Augusta Westland, Pratt & Whitney and Airbus, among others, have made investments in the region. Much production focuses on helicopters and airplanes and engines and engine components. GE Aircraft Engines has located some R&D facilities in Poland, and in 2019 Lufthansa Technik and GE Aviation opened a new engine maintenance and repair operation to service GE9X engines.

Growth in these two sectors is heavily reliant on the development of advanced technologies and will drive demand for the latest in automation and additive manufacturing in Poland.

Opportunities

Recent analyses of the competitive global industry markets indicate Poland is in a strong position for and has good prospects of future investments in industrial automation and manufacturing technology. Good opportunities for U.S. exporters include:

- Additive manufacturing equipment
- Sensors and instruments
- Electric motors and actuators
- Electrical relays and industrial control equipment
- Material handling equipment
- Industrial robots, including those used in spot welding, sorting, palletizing, and painting
- Machine tools for cutting metal and forming metal pieces
- Machine tools parts, both OEM and after-market
- Tools, dies, jigs, and fixtures for manufacturing applications
- Welding and soldering equipment
- Plastics and rubber manufacturing equipment
- Industrial molds. There are also good prospects for IoT, advanced analytic, virtual reality, augmented reality, and general innovative solutions as the key elements toward the development of Industry 4.0 in Poland.

Web Resources

Organizations:

[Ministry of Development](#)

[NCBiR - The National Center for Research and Development](#)

[ARP – Industry Development Agency](#)

Trade events

[Robotech Robotics Technology Conference](#), Wroclaw, September 23, 2020

[New Industry Expo](#), Katowice, TBD

[Toolex International Fair of Machine Tools, Tools and Processing Technology](#) Katowice, Sept. 29-Oct. 1, 2020

[Automaticon International Fair Industry Automation](#), Warsaw, TBD

[Przemysł 4.0 Conference](#), Warsaw, TBD

[ITM Industry Europe](#), Poznan, November 3-6, 2020

Publications

[Magazyn Przemysłowy](#)

[AutomatykaB2B](#)

[Industry 4.0 information portal](#)

For more information about Advanced Manufacturing, please contact:
 U.S. Commercial Service Poland
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Defense Industry

Due to the sensitive nature of the defense industry sector, there are no official statistics available on local production, imports, and exports. The only data available through public sources is the annual amount of defense expenditures, which is illustrated in the table below.

Overview

Spending on Defense in Poland

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Approximate Defense Spending \$ billion	8.38	8.79	9.05	10.36	10.67	10.30	9.8*	9.5*	10.1*	12.5*	12.5*

Source: Ministry of Defense (MON) – Annual Budget

*Please note that USD value went up in 2016.

2016 exchange rate: 1 USD = 4.0 PLN

2017 exchange rate: 1 USD = 3.6 PLN

2018 exchange rate: 1 USD = 3.7 PLN

2019 exchange rate: 1 USD = 3.8 PLN

The current exchange rate: 1 USD = 4.0 PLN

Poland leads the former East-bloc countries in parting from Soviet-era equipment and has long term plans to replace any remaining Soviet era equipment with modern NATO-compatible platforms. However, the Polish Government's plans to strengthen and reorganize the armed forces and the Polish defense industry must compete with other reforms that are financed through the state budget.

The Polish Government annually negotiates its defense budget and the budget parameters are set during these negotiations. In the 2020 budget, the Polish government allocated 2.1% of 2019 GDP (the government announced its intent to increase spending up to 2.5% of GDP by the year 2030), an amount equal to about \$12.5 billion** (PLN 49.997 billion) for total defense expenditures, of which about \$12.25 billion** (PLN 49.015 billion) is dedicated to national defense. This is a y-o-y increase of 11.3% and includes \$3.35 billion** (PLN 13.413 billion) allocated for arms and technical modernization. One of the main expenditures is salaries and pensions.

**based on the current exchange rate: 1 USD = 4.0 PLN

Poland's military is undergoing changes designed to transform it into a more capable, mobile, and NATO-compatible force. Change is occurring in every area of operation, to include force structure, staff organizations, training programs, doctrine, and security procedures. Modernization plans include improvement of troop capacity/mobility, air defense systems and further development of a professional army. The total value of the 2020-2035 modernization plan is estimated at approximately \$133 billion (PLN 524 billion).

The Polish Armed Forces modernization plan is based on three principles: 1) assessment of Polish military needs; 2) timeframe for delivery of equipment; and 3) Polish industry participation. The implementation of the program has placed an emphasis on using Polish defense industry capabilities, especially Polish Armament Group (PGZ) companies. U.S. companies are encouraged to team with Polish defense companies seeking cooperation agreements or joint venture opportunities that, combined with the relatively lower cost of production in Poland, will be attractive to potential customers.

Although Poland is no longer a recipient of new Foreign Military Financing (FMF), it has used previously allocated FMF funding for Night Vision Devices, Unmanned Aerial Vehicle (UAV) procurement and sustainment, signal intelligence, airfield navigational aids and tactical airlift support. As of July 2020, Poland has over 120 active FMS cases. Major recent FMS sales include F-35 fighter aircraft, the PATRIOT air and missile defense system, High Mobility Artillery Rocket System (HIMARS), Joint Air-to-Surface Standoff Missiles (JASSM), and Javelin Anti-Tank Missiles.

New FMS Expenditures in \$M for CY 2017, 2018 and 2019.

	CY 2017	CY 2018	CY 2019	CY 2020 *
FMS Expenditures (in \$M)	447	4870	507	4670

* Sales to date

Source: ODC, US Embassy Warsaw

Leading Sub-Sectors

Opportunities for American firms exist mainly in investment, technology transfer, and co-production work. Polish defense companies seek cooperative agreements or joint venture opportunities with foreign defense companies that, combined with the relatively lower cost of production in Poland (particularly tanks, armored vehicles, artillery, ships, aircraft, and helicopters), will be attractive to potential customers.

Receptivity to American products is high due to an excellent reputation for high quality products, reliability, and technical assistance. However, technological advantage is not the only factor determining success in the market. American companies should focus on educating end-users and other players in the defense sector. A successful U.S. exporter is expected to support its agent/representative at trade shows, seminars, and conferences.

Polish officials maintain that the most important factor in awarding a contract is price (which is particularly critical for big-ticket purchases), after which other variables, such as quality, availability of service and training, and technical assistance for the installation, as well as the start-up operation of the equipment, becomes important. Therefore, superior performance offered from U.S. companies will not always win the deal.

The Polish government is required by law to hold tenders for major procurements, though there is a national security exception. Financial value, project complexity, international cooperation, and political sensitivity determine the project category.

American companies that are well informed about upcoming projects are free to submit tenders to the contracting authority directly. However, direct purchases from foreign suppliers are very rare and we encourage U.S. firms to identify local agents/representatives that can provide necessary assistance. Selecting an appropriate representative is very important. The agent should have very close contacts in the military/defense market. A reputable agent with good contacts can provide important and timely information, which is often not readily available through public sources. Additional considerations should be given in view of complicated tender procedures and import regulations. American companies exporting to Poland should be familiar with the country's Public Procurement Law, Polonization, and Offset Act. Polonization is part of Poland's long-term plan to become more self-sufficient, and to increase and promote local industrial production. The bottom line is that it is nearly impossible to effectively sell defense products without a competent agent.

The Office for Offset Agreements at the Ministry of National Defense (MoND) coordinates Poland's defense offsets. The offset requirements are an important part of defense procurement contracts. On June 26, 2014, the Polish Parliament adopted a new Offset Act - the "Act on Certain Agreements Concluded in Connection with Contracts Essential for National Security." The new Offset Act was signed into law by the President of Poland on 7 July 2014. The new law covering the use of offsets in defense acquisition brings the country in line with European Union (EU) military procurement rules.

American companies interested in military procurements in Poland are advised to use various resources to increase the chances of getting their company's information into vendor's databases within the military/defense sector. We advise American suppliers of military/defense equipment and services to contact the American Embassy in Warsaw as it pertains to information on defense-related business in Poland and current political issues prior to contacting any Polish government agency. This applies particularly to the Office of Defense Cooperation (ODC) and the Foreign Commercial Service (FCS).

Defense cooperation includes both security assistance and armaments cooperation activities. The U.S. government security assistance program for the government of Poland is managed by the Office of Defense Cooperation and includes Foreign Military Sales (FMS) armaments cooperation.

The U.S. Commercial Service identifies defense industry as one of its sectors with sizeable American sales potential in Poland. It offers several commercial export promotion programs and advice on regulation compliance, the market potential for a product or service, agent/representative vetting, as well as advocacy support. Please visit the [Commercial Service in Warsaw](#) for more information on how we help U.S. companies do business in Poland.

Opportunities

Poland's membership in NATO has brought numerous opportunities for U.S. companies in terms of upgrades and adjustments. In addition, Poland became a close U.S. ally in Europe through its support for and participation international interventions in Iraq and Afghanistan, which also called for upgrades and adjustments in terms of developing a more capable and mobile force compatible with NATO troops.

Poland's military is traditionally land force heavy. Currently, the military consists of 111,500 professional soldiers including 50,663 troops in the land forces; 16,813 in the Air Force; 7,048 in the Navy; 4,038 in Territorial Defense Forces, and 32,938 in other segments including, Reinforcements, Military Police, and the Polish Armed Forces Command. In addition, in 2019, the Ministry of Defense decided to establish a new Mechanized Division (18 Dywizja Zmechanizowana) and create a new general-military brigade (nowa brygada ogólnowojskowa).

In October 2019, the Polish Ministry of National Defense announced its new "Technical Modernization Plan 2020-2035," which outlined a number of major procurement programs:

HARPIA Program: Acquisition of 32 new generation multi-task F-35 aircraft. The modernization plan also includes a requirement for additional F-16 aircraft.

HARPI SZPON Program: Poland plans to acquire stealthy unmanned aerial vehicle aircraft to enhance the combat capabilities of F-35 aircraft.

NAREW program: Modernization of Poland's short range air-and-missile defense capability. Polish defense industry is expected to be heavily involved.

KRUK Program: Acquisition of modern attack helicopters for Polish Land Forces.

OBSERWATOR Program: Acquisition of satellites, microsatellites, and reconnaissance aircraft

CYBER.MIL Program: Acquisition of cyber defense tools and software, with heavy involvement by Polish industry.

WISŁA Program: Modernization of Poland's medium air and missile defense capability

GRYF Program: Acquisition of tactical medium-range unmanned aerial vehicles

WAŻKA Program: Acquisition of unmanned aerial vehicles intended for use mainly in urbanized areas, equipped with an optoelectronic head that allows observation during both day and night.

PŁOMYKÓWKA Program: Acquisition of reconnaissance aircraft.

MIECZNIK Program: Acquisition of two coastal defense vessels

REGINA Program: Acquisition of 155 mm fire division modules to enhance the fire support capability at the tactical level. The major contractor is Huta Stalowa Wola (HSW).

Continuation of HOMAR Program: Possible acquisition of additional rocket launchers, capable of striking targets in the 70-300 km range.

PUSTELNIK Program: Acquisition of light anti-tank guided missile launchers

BORSUK Program: Introduction of a new combat vehicle based on a universal modular tracked chassis, developed and manufactured by the Polish defense industry. It will replace the Soviet era BWP-1 vehicle.

WILK Program: Acquisition of new generation main battle tanks.

BALSA Program: Acquisition of advanced engineering robots for bomb disposal units. Robots are indigenously developed and manufactured.

OTTOKAR BRZOZA Program: Acquisition of tank destroyers for the anti-tank regiment.

GROSZEK Program: Pods for combat aircraft

GLADIUS Program: Acquisition of unmanned search-strike systems ("loitering munitions")

Small MUSTANG Program: Finalizing acquiring of high-mobility trucks and passenger vehicles to replace Honkers.

Source: Ministry of Defense (MON)

Foreign investors and joint venture partners with local firms can take advantage of government incentives. Many U.S. businesses in Poland take the form of joint ventures with Polish companies and are specifically set up to handle sales in the market. Joint ventures are an excellent way to facilitate export sales to the Polish market. U.S. companies competing for Polish defense contracts are encouraged to look for joint ventures, co-production, and other cooperative opportunities with Polish companies to make their bid offers more attractive. The relatively lower cost of production in Poland has led many foreign defense companies to seek

cooperation agreements or joint venture opportunities with Polish defense companies that can produce equipment, which will be attractive to potential customers. Examples of such products include tanks, armored vehicles, artillery, ships, aircraft, and helicopters.

Web Resources

Trade events

Participation in trade fairs, conferences, and seminars is an effective avenue for promotion in the defense/military sector in Poland.

The [MSPO International Defense Industry Exhibition](#) is the largest annual event for the defense and security industries in Central and Eastern Europe, and one of Europe's three largest trade shows dedicated to the defense sector (after Paris and London). The MSPO is held annually in Kielce (south east Poland) at the beginning of September. The upcoming show will take place in September 2021.

Other important exhibitions in this sector are:

BALT-EXPO - International Maritime Exhibition <https://baltexpo.ztw.pl/>, held biannually in Gdańsk (northern Poland). The upcoming show will take place Septemebr 6-8, 2021.

[BALT-MILITARY-EXPO](#) is held bi-annually in Gdansk (northern Poland). The upcoming show will take place April 20-22, 2021.

[Radom AIR SHOW](#) held biannually in Radom (south-east Poland). The organizer of this show is Polish Air Force HQ, the city of Radom, and the Polish Aero Club. The upcoming show will take place in 2021.

Additional Resources & Contacts:

[Ministry of National Defense \(MOD\)](#)

[Armaments Inspectorate \(MOD Procurement Office\)](#)

[Polish Armaments Group \(PGZ\)](#)

[Polish Chamber of Defense Industry](#)

[Institute of Aviation](#)

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Digital Technologies

Overview

The Polish Information Technology Market (in \$ Millions)

Source: BMI Research

	2018	2019	2020 (estimate)	2021 (forecast)
Total IT Market Value	16,993	18,289	18,180	19,931
Hardware	2,441	2,500	2,317	2,394
Software	3,384	3,865	3,941	5,031
Services	11,169	11,924	11,921	13,240

The IT market currently accounts for 3.2 percent of Polish GDP and it is expected to reach 3.4% in 2023. Government expenditures are less than 2.0% of GDP, however, EU funds supplement this amount by up to 85% of a project's actual value. Within the Digital Single Market (DSM) strategy, the EU assigned \$2.5 billion for the "Digital Poland" 2014-2020 program which included broadband internet access projects, development of e-government services and digital society development. The EU is currently in the process of finalizing discussions on the next financial perspective as well as the COVID-19 recovery funds, Poland would greatly benefit from. Portion of these funds would be used for digital development projects.

According to BMI, in 2019 total information technology expenditures in Poland reached USD 18.3 billion, will amount to USD 18.18 billion in 2020. Due to the substantial fluctuation of the Polish currency, the values calculated in USD differ from those in Polish zloty.

The short-term IT market forecast for 2020, which in January predicted 6% yearly market growth, has dramatically changed due to COVID-19. While at the end of the first quarter 2020, industry experts thought that the IT sector was going to perform better than the Polish economy at large, they currently predict that this year this sector will shrink by 5.5%. Large projects are postponed and many small and medium size companies reduce their investment plans. The technology areas which are expected grow this year include tools and management solutions for remote work, cybersecurity and cloud solutions and services.

In 2020, the hardware segment in total is expected to decrease by approximately 5%, while servers and disk arrays will decrease by 2.1%. This is despite increased sales of notebooks (by 5%) and personal computers (by 4%) in the first quarter 2020. The demand was mainly for lower-end equipment and it is already fading.

The IT market is expected to recover the following year and reach USD 19.93 billion in 2021 and USD 22.8 billion in 2023. The forecast for the whole sector is positive, although it varies substantially depending on the segment. The hardware segment is expected to develop mildly and reach barely \$2.7 billion in 2023. The value of software sales, estimated at almost USD 3.9 billion in 2019, are expected to exceed USD 5 billion in 2023. IT services are expected to rise from almost USD 12 billion in 2019 to USD 13.2 billion in 2023.

As far as US exports are concerned, Global Trade Atlas lists Poland as 30th export destination country for the HS 8471 product category and 20th for the HS 8542 products. These statistics do not reflect the actual value of all U.S. exports to Poland. Many exporters first ship their products to regional hubs and then distribute them to other European countries. Despite the numbers, US technologies and products are highly evaluated and well received in Poland.

Processing equipment (HS 847130) and Storage equipment (HS 847160) in January-May 2020, each amounted to over USD 12 million, which accounts for over half of US exports to Poland in the HS 8471 category. While exports of Processing equipment keep slowly decreasing over last few years, export value of storage products boomed from USD 1.15 million in 2018, USD 2.64 million in 2019 to USD 12.15 million for 5 months in 2020. In the HS 8542 category, US export boomed from USD 13.45 million in 2018, USD 14.4 million in 2019 to USD 72.1 million during the January-May 2020. Processors and controllers (HS 4542310) represent almost 95% of US exports in this category.

Market development is driven by the digitization strategies of the public and business sectors and the need to invest in labor-saving or productivity maximizing solutions. Services are driving sales growth, including cloud computing services, software-as-a-service, infrastructure and platform services, are they key trend in the enterprise market. Trends such as technological integration, streamlined access to services, cloud computing, IT security, and IoT reflect major market opportunities for US suppliers.

Cloud services are growing seven times faster than the overall IT market. The Government Cloud Computing RChO and the government ZUCH platform providing cloud services for the public sector is supplemented by the private sector National Cloud (Krajowa Chmura) initiative. Google and Microsoft have recently announced investing in cloud development in Poland, USD 2 billion and USD 1 billion respectively. AWS and IBM are also said to be interested in expanding in this area.

Main sectors which invested in IT in 2019 were banking (\$792 million), trade (\$611 mln), public administration (\$546 mln), industry and construction (\$448 mln), IT companies (\$338 mln), and finance and insurance (\$323 mln). Although the order of the main sectors have remained the same for years, it's worthwhile to notice that over the last four years the IT expenditures of the public administration decreased by one third. Financial services, banking, and telecommunications have all spent large amounts of money on sophisticated projects. Their future investments mainly depend on the availability and accessibility of new technologies, as well as the regulations imposed upon them.

The main public institution responsible for the development and implementation of digital policy is the [Ministry of Digital Affairs](#). The goal of the Country Integrated IT Development Program is to create a public information system that provides efficient electronic services and interoperability of existing and new IT public systems and eliminates duplicative functions. The government has opted to divide larger IT efforts into small projects that would be implemented gradually or apply them only to contract services. The goal of this policy is to stimulate competition and allow smaller companies to move away from projects that can only be implemented the market's largest players. The Ministry is also in charge of the cybersecurity as well as the plan for 5G development.

The value of the Polish telecommunications market in 2019 reached USD 10.2 billion, experiencing only 0.2% growth over the previous year. The main reasons for this stagnation are mainly continued deterioration of fixed-line services and delays in 5G development. In 2019, the broadband internet access grew by 3.4% and currently 75% households have access to fixed internet with a speed of at least 30 Mb/s.

In early 2020, [The Office of Electronic Communications \(UKE\)](#), the regulatory authority responsible for telecommunications, postal activities, and frequencies management, opened first tender for four reservations for 5G 3.4-3.8 GHz frequency but first put it on-hold after COVID-19 outburst and then cancelled altogether. Instead, the government conducts another round of consultations to reframe the tender specification. The tender is now expected to take place in late 2020. For 700 MHz frequency, the government supports the "Polish 5G" initiative, under which Polish Development Fund PFR, state-owned operator Exatel and cellular operators Orange, T-Mobile, Polkomtel and Play would join forces to build a wholesale 5G network. Details of this project are yet to be defined and the government is expected to distribute 700 MHz frequency in 2022. In the meantime, the mobile operators have already started to introduce 4½ or 5G pilot projects.

Leading Sub-Sectors

Cloud computing, IoT, cybersecurity are the sub-sectors with best potential for American exporters. Leaders in specialized software include software for vertical markets, internet, and e-commerce solutions, specifically in IT security.

U.S. suppliers of IT services interested in entering the Polish market should consider working with Polish partners, as Polish project sponsors usually mandate that any assistance should be available locally and in the Polish language.

Opportunities

The public sector digital technology policy and Poland's IT development plans are coordinated by the Ministry of Digital Affairs, but individual ministries or institutions can be responsible for projects in their specializations specialty areas. Project opportunities include investments in e-administration and open government, as well as training and other activities aimed at increasing the digital literacy of Polish society.

The EU allocated USD 2.5 billion for the implementation of the Digital Poland Operation Plan from 2014 to 2020. Funds are available to central administration, local governments, universities, businesses, non-profits, associations, and cultural institutions through a variety of programs executed by the Polish government. Additional EU funding is also available for IT projects through regional programs. The EU is currently in the process of finalizing discussions on the next financial perspective as well as the COVID-19 recovery funds, Poland would greatly benefit from. Portion of these funds would be used for digital development projects.

Web Resources

[Ministry of Digital Affairs](#)

[UKE – Office of Electronic Communications](#)

[PIIT – Polish Chamber of Information Technology and Telecommunications](#)

[KIGEiT – the National Chamber of Electronics and Telecommunications](#)

[PIKE – Polish Chamber of Electronic Communication](#)

[NCBiR – The National Center for Research and Development](#)

[PFR – Polish Development Funds](#)

[Chmura Krajowa](#) (National Cloud, private initiative)

Trade events

There are no general IT-sector-oriented trade events country-range in Poland. Instead, there are many sectoral IT conferences, usually devoted to specific verticals and end-users. Information on these events is available on request

Contacts for Marketing and Advertisement

Magazines: [IT Reseller](#) and [CRN. Elektronika B2B, Automatyka](#)

[IDG Polska](#) publisher of Polish editions of [ComputerWorld](#), [PC World](#) and [CxO](#), as well as ComputerWorld Top 200 yearly report on the Polish IT market. IDG also organizes technology conferences, e-seminars and debates, and offers expert market research as well as content and email marketing services.

[PMR Research](#) - market research, marketing and specialized market entry services

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Energy Sector

Poland's primary energy production achieved 2650 PJ in 2018 and relied heavily on coal and fossil fuels. Hard coal, accounted for 57.9% of primary energy production in 2018, followed by lignite (18.1 %), natural gas (5.5 %), crude oil (1.6%) and renewables (16.9 %). The consumption of primary energy sources was 4500 PJ in 2018, with hard coal and lignite sharing of 50% of all consumption.

Leading Sub-Sectors

Power Generation

	2018	2019
Gross Generation (TWh)	165.2	158.7
Thermal (hard coal & lignite)	79.6%	75%
Thermal (gas)	5.8%	7.6%
Hydro	1.3%	1.4%
Renewable	7.2%	9%
Industrial power plants	6.1%	7%

Source: Polish Power Grid Company PSE

The installed capacity of the Polish electric power system achieved 46,799 MW in 2019, which was almost 2% more in comparison to 2018 (45,939 MW). The share of installed capacity in hard coal and lignite remained at the level of 67% (31,541 MW). Renewable Energy Sources (RES) accounted for over 20% (7,490 MW) and constituted a 12.8% grow in comparison with 2018. The installed capacity in natural gas had a 5.7% share in total installed capacity (2,788 MW) and witnessed a 19% grow comparing to 2018.

Electricity production achieved 158.7 TWh in 2019, and it was 3.9% less than in 2018. The hard coal and lignite power plant production of 119.7 TWh accounted for 75% of total electricity production in 2019, while in 2018 it was 79.5% (4.5% percentage point decline). The share of RES in electricity production was 9.03% (14.3 TWh), while natural gas power plant production accounted for 7.6% (12 TWh). In 2019, domestic electricity production was the lowest in five years, which resulted from substantial decline in coal power plants production. High prices of coal and carbon credits made electricity production out of coal uncompetitive. At the same time, electricity production based on natural gas and RES increased significantly. The capacity installed in renewable sources and production of electric power from RES have been growing consistently during the last several years, exceeding 14 TWh in 2019. This is still insufficient for Poland to meet the EU's 2020 obligation of 20% share of renewable energy in the final energy mix. Major reasons for this growth was a 3.5x increase in the capacity of photovoltaic installations and development of prosumer PV installations.

The importance of gas in the Polish energy mix continues to grow. Domestic production of this fuel has been decreasing for several years with overall demand being replaced by imported gas. However, the progressive diversification of gas sources is clearly visible, mainly due to contracts for the purchase of liquefied natural gas (LNG), mainly from Qatar and the United States. Imports from Russia account for less than 50% of domestic gas supplies. The decreasing trend in domestic hard coal exploitation, which has been visible for several years, continued in 2019 accounting for 2 million less tons. However, the demand for thermal coal remains high. Domestic coal is more expensive and of lower quality than imported coal, resulting in almost 20% of Poland's consumption covered by imported coal. Hard coal has been imported mainly from Russia (10 million tons in 2019), Colombia, the United States and Kazakhstan.

Most Polish coal-fired power plants were built between 1960 and 1980, and now must be retired and replaced by newly-build capacity. Two new large coal-fired power plants – Kozenice (1,000 MW) and Opole (2x900 MW)- have already been operational, and there are others, including Jaworzno (910 MW) and Turow (450 MW) that are under construction. The subsequent power plant investments will be done in natural gas sources – Dolna Odra (2 x 900 MW) and Ostroleka power plants (1000 MW).

Civil Nuclear Energy

In 2009, Poland began developing the civil nuclear power program. Initially, the state-owned power company PGE envisioned construction of two nuclear power plants of 3,000 MW by 2035. The program has been delayed significantly and has been the subject of reform from the government. Construction of six nuclear power blocks of 6-9 GW total capacity by 2043 is now being considered. The Ministry of Climate plans to launch operation of the first 1-1.5GW nuclear power reactor in 2033, with the remaining five 1-1.5 GW reactors coming on-line every two years following construction of the first one and fully complete by 2043. The site characterization and environmental analysis have been performed by PGE at two selected sites in Zarnowiec and Lubiatowo-Kopalino and are planned to be completed at the end of 2021. The reactor technology tender is still to be announced. The Ministry estimates the cost of the nuclear power program at \$15 - \$20 billion and is looking for foreign technology provider to offer 50% of project financing.

The Polish government also considers developing the High Temperature Gas Reactor (HTGR) technology in Poland. The plan is to create the special HTGR development center in cooperation with foreign partners who have experience with this technology. The first step would be building a 10 MWt HTGR reactor in the National Center for Nuclear Research (NCBJ) facility for testing and licensing purposes, then developing commercial HTGR reactors that would provide heat for the chemical industry, and electric energy for the grid in Poland.

Renewable energy

In 2008 all the EU member states agreed to reach at least 15% share of renewable energy, RE in the final energy balance in by 2020. Poland's share at that time had not exceeded 8% and after 12 years the country will not be able to achieve the set goal. By the end of 2019 only 11.4% of energy was produced from the renewable energy sources, RES. The total installed capacity of renewable sources amounted to 9,106 MW in 2019 and it grew by 512 MW over the year. Sixty five percent of this capacity was installed in wind power, followed by biomass, hydro, photovoltaics and biogas. Photovoltaics had the largest share in 2019 growth reaching 331 MW and over 64% of the entire RE capacity increase. The second place was taken by biomass with 130 MW capacity. RE capacity growth over 2019 was nine times higher than in 2018. Renewable energy laws from April 2015 strongly supports prosumer activities. Individual producers of maximum 10kW power from the newly installed RES system are guaranteed tariffs for 15 years. For bigger producers below 1MW and above 1MW, the law introduced an auction system. Each year, the Ministry of Economy announces how much of renewable energy from each group it will need and announce the reference prices for each group. According to the assumptions of the National Plan for Energy and Climate for 2021-2030, the share of energy from renewable sources in the national mix is to increase evenly from 17.6 percent in 2025 to 21 percent in 2030.

As reported by Bloomberg Poland, the Europe's coal heartland is now the hottest market for green power. Poland plans to increase its renewable power capacity by 65% from 2019 to 2024, mostly from offshore wind farms. The country finalizes its 2040 energy policy looking forward that some of the world's biggest players in RE will be seeking to capture a share of this market.

Photovoltaics

Photovoltaics (PV) is one of the fastest growing segments of the renewable energy sector in Poland. As of March 1, 2020, the capacity of photovoltaic installations in Poland was 1596.5 MW, representing an increase of 183.2 percent year-on-year. Further, in the first quarter of 2020, PVs recorded and an 8.4 percent increase. In 2019, Poland ranked fourth within the EU in terms of annual increases in new solar power. Last year's success was

the result of three major events; a significant decrease in world prices for PV system modules and elements as well as, extensive Polish government programs supporting small investors (I.e., Thermo-modernization and My Electricity programs) and, RES auctions for large investors.

Representatives of the energy industry agree that the rapid development of photovoltaics, especially in terms of prosumer, cannot be stopped. A significant element of PV micro installations, (more than 60% of capacity), are systems implemented by individual prosumers. This trend has been driven by the growing energy prices arising since 2012, resulting in numerous small installation companies being established to respond to growing demand. Market experts predict that within next 10 years, Poles will install nearly 1 million individual PV roofs (each roof installation will be of 50-100kW capacity). Large PV investors are supported by the government via RES auctions, which have been organized each year since 2016 by the Polish Energy System Regulator. This has resulted in more than 1000 projects with a total capacity of over 1.6GW that will be eligible for government premium payments over 15 years. By the end of 2019, over 400 projects became operational. For 2020, the planned capacity for PV installations will be 1000 MW.

Wind: onshore and offshore

Poland's wind generation capacity development was restricted in 2016, when President Duda signed a bill making it illegal to build turbines within 2km of other buildings or forests, ruling out 99 % of Poland's land area. Due to these changes, the installed capacity in wind generation grew only by 0.8%. Since then, the government has made plans to revise parts of the bill that hindered wind energy development and created a number of investment disputes between Poland and international investors.

There are over 1,200 installations in Poland using wind as a renewable energy source. Their installed capacity is over 5,900 MW, which is about 65% of installed capacity in all types of renewable energy installations working in Poland. Nearly 160 further wind installations are under construction, with total installed capacity of approximately 2,500 MW. For comparison, the capacity installed in the entire power system in Poland in 2019 amounted to almost 47,000 MW. The amount of energy produced from wind sources and introduced into the Polish power system is systematically increasing. In 2019, they produced 13,903 GWh of energy against 11,678 GWh in 2018, year-to-year dynamics was 119%. Wind energy accounted for about 8.2% energy consumed in the country in 2019. According to the Polish Energy Regulatory Office mainly producers of wind and solar energy are the beneficiaries of the auction support system for renewable energy production operating in Poland for over five years. The results of the auctions decided so far by the Energy Regulatory Office (in 2016-2019) should translate into the creation of approx. 3.4 GW of new wind energy capacities. And the increase in energy production from the auction system is an important mechanism to fulfill the renewable energy target assumed for Poland.

To catch up with the 15% in 2020 and 21% in 2030 of RES obligations the Polish government plans an extensive development program of offshore wind farms. The Polish Energy Policy, PEP, Road Map 2040 provides for a visible participation of offshore wind in the Polish energy mix in 2027. This means that the first mature projects should appear even around 2024. In the prospectus for 2040, the strategic document sets the potential of 10.3 GW. A draft law on the promotion of electricity generation in offshore wind farms published in January this year provides for the first auctions to be conducted by the President of the Energy Regulatory Office in this sector as early as 2023. Companies controlled by the Polish State Treasury will have a dominant share in the development of offshore wind farms. Investments in offshore wind farms are carried out by companies such as the Polish Energy Group, PGE. By 2030, PGE and their Danish partner, Ørsted intend to erect wind farms with 2.5 GW on the Baltic Sea. Another state group, PKN Orlen, also has concessions for the construction of a 1.2 GW offshore wind farm and is in the process of searching for a business partner to carry out the planned projects. PEP 2040 predicts that 55.2 TWh of energy will be produced from wind only. The Polish Wind Energy Association (PSEW) estimates that the Polish energy system will require 1,000MW of newly installed wind energy capacity each year to comply with EU targets.

Transmission and Distribution Network

Poland's electrical transmission network is in good technical shape and the average age of Polish transmission lines is less than 40 years. Expanding and upgrading of Poland's electricity transmission network is a key element to meet its EU goals of increasing renewable energy sources, improving energy efficiency, and better integration into European transmission networks. In 2019, all six transmission and distribution companies spent over \$2 billion for investments, including \$34 million for innovations. The Polish state-owned transmission system operator PSE spent \$380 million for transmission grid development and modernization. From 2019 to 2027, PSE plans to spend \$3.2 billion to expand and modernize the Polish grid, with \$1.25 billion support taken from the EU Operational Program Infrastructure and Environment. PSE plans to introduce 8 GW of power from offshore wind farms into the system by 2027 and to prepare for construction of power lines for the nuclear power plant. PSE investment plans include building of about 4,300 km of new 400 kV lines and upgrade another 800 km of 400 kV, along with 1,400 km of new or upgraded 220 kV lines; construction of nine new transformer stations and modernization of 23 existing stations. PSE has signed an agreement with Lithuanian transmission operator, Litgrid, to build Harmony Link, an undersea HVDC cable that would link Poland and Latvia and make Baltic states power system synchronized with European.

Investments undertaken by five distribution system operators for distribution grid expansion, upgrade, automation and cyber security are also substantial. In 2019, the total investment spending by five Polish distribution companies amounted to \$ 1.6 billion, including \$0.55 billion spent by PGE, \$0.45 billion spent by Tauron, \$0.3 billion spent by Energa, \$0.3 billion by Enea and \$50 million by Innogy. Thirty investment projects related to electricity transmission, and 188 projects in electric energy distribution with a combined value of \$ 3.6 billion, have been co-financed by EU cohesion funds within the Infrastructure and Environment Program during 2014-2020.

Smart Grid

According to the draft of Poland's Energy Law, Poland plans to install smart meters at 80% of end-users by 2026. Currently, smart meters are installed at 11% of end-users. The initial phase of installing smart meters in Poland took place between 2011-2015, but the process has since slowed. The reason behind this slowdown was a lack of applicable legislation that would obligate Distribution System Operators (DSOs) to implement Advanced Metering Infrastructure, and lack of regulator actions enhancing such activities. Introduction of capacity market in 2018 forced DSOs to install intelligent meters that enable remote data read-out. Among the five DSOs, Energa is the most advanced in Advanced Metering Infrastructure (AMI) implementation with installation of meters for 30% of their clients. Energa has invested \$0.5 billion in smart grid development by 2020. During next three years, Energa plans to introduce smart grid in their entire territory, which covers 25% of Poland's area. The project worth \$60 million is to modernize the low voltage grid using EU funds. Tauron has installed 350,000 intelligent meters in Wroclaw (Smart City Wroclaw), and Innogy 100,000 units in Warsaw. PGE, the largest DSO, has been performing project of 50,000 meters in Bialystok and Lodz. Enea signed contract for introducing intelligent grid in Szczecin and Swinoujscie in December 2019. PGE, Tauron and Enea have together conducted several tenders for purchasing of smart meters.

According to Poland's calculations, the installation of smart meters for 80% of end-users by 2026 will cost \$1.2 billion. The amount of \$300 million from the EU Infrastructure and Environment funds can be spent by DSOs for grid infrastructure development, smart grid development, intelligent meters, grid automatization and energy storage systems construction. The high and medium voltage distribution lines are primarily automated while low voltage systems, which are most commonly found in Poland, still require automation updates.

Energy Efficiency

According to Poland's Energy Policy by 2040, energy efficiency is one of three major energy priorities. The document states that Poland is going to improve its energy efficiency by 23% in comparison with 2007. A

system of white certificates that award energy efficiency, investments, and expansion are an instrument for incentivizing energy efficiency in Poland. This system is required for the consumer utilities selling electricity to the end-user market. The system is available for all projects that meet specific criteria. To receive a white certificate, a company needs to send an energy efficiency audit to the Office of Energy Regulation. Energy efficiency audits are required for companies with more than 250 employees. EU funds dedicated to improving energy efficiency have allowed the energy market in Poland to grow over the last decade; advancing the thermo-modernization of buildings, street lighting, and industrial processes. The EU has allocated Euro 6.8 billion to support the low carbon economy in Poland. This includes Euro 3.8 billion available from the European Regional Development Fund and Euro 3 billion from the Cohesion Fund, which includes the Environment and Infrastructure Program. The EU may also fund the production of electric energy, including co-generation, electricity transmission and distribution, including the smart grid; energy modernization of public buildings and housing; and increased energy efficiency in factories. Other financing dedicated to such projects include: The National Fund for Environmental Protection, made up of subsidies and preferential credits; EBRD; and EU PolSEEF, which includes preferential credits.

LNG

Poland relies on Russia for its gas supply, as Russia's Gazprom controls 56% of the country's gas consumption. The rest is covered by domestic production (23%), EU imports (15%), and LNG imports (6%). Poland seeks to become energy secure, as well as diversify its gas sources before its contract with Gazprom expires in 2022. As such, Poland is in the process of building gas infrastructure to become more energy independent and meet growing consumption. Poland began this process with its first LNG terminal in Swinoujscie in 2015. Since then, Poland has also increased its imports of LNG from Qatar and the United States.

Poland's LNG terminal in Swinoujscie is the first onshore regasification facility in the Baltic Sea region. This facility receives shipments from a Qatari supplier under a long-term contract, as well as a series of auxiliary deliveries secured via the spot market. In November 2017, PGNiG signed a five-year contract with Centrica LNG Co. This contract allows the deliveries of U.S. LNG from Cheniere Energy's Sabine Pass LNG Terminal in Louisiana. In 2018, PGNiG signed other long-term contracts for US LNG that include 20-years contracts with: Sempra for 2.7 BCM, Venture Global Calcasieu Pass LLC and Venture Global Plaquemines LNG LLC for together 2.7BCM and Cheniere Marketing International 1.95 BCM of degasified LNG yearly. Deliveries will start in 2022-2023. In 2018, the Polish government made the decision to increase the LNG terminal's capacity by 50%, giving the terminal 7.5 BCM. The tender was announced in the beginning of 2019 and was recently concluded.

From 2023, PGNiG will have at least 7.45 million tons of liquefied gas, which is over 10 billion cubic meters of natural gas. Such quantities of LNG will strengthen the company's position on the market for this fuel and will contribute to the increase of gas supply security of Poland. PGNiG is currently also in the process of building a Baltic Pipeline to carry gas from Norway to Poland. This pipeline should be operational by 2022. The European Commission recognizes the Baltic Pipeline Project as a 'Project of Common Interest' (PCI). The EU is providing support funding to the Baltic Pipeline because it strengthens the European internal energy market by securing more affordable, secure, and sustainable energy sources. When completed, the Baltic Pipeline will account for 43% of Poland's gas consumption. Poland expects to receive another 37% via the expanded LNG terminal; which will receive imports from a variety of sources, including the U.S. In addition, the Polish government is strongly considering purchase of two Floating Storage Regasification Units (FSRU); one in the Gdansk bay and another one next to Swinoujscie LNG terminal. This investment will allow Poland to accept delivery of between 4.1 and 8.2 billion Nm³ of liquefied natural gas per year to Poland. In addition to transporting liquefied gas, the tanker would also enable reloading and bunkering (refueling) of LNG-powered vessels.

Web Resources

[Ministry of Energy](#)

[Energy Regulatory Agency](#)

[Energy Market Agency](#)

[Polish Committee of Electric Energy](#)

[Association of Polish Power Plants](#)

[Polish Association of Professional Combined Heat and Power Plants](#)

[Polish Power Transmission and Distribution Association](#)

[Chamber of Industrial Power Plants and Energy Suppliers](#)

[Polish Chamber of Power Industry and Environmental Protection](#)

[Association of Energy Trading](#)

[Polish Wind Energy Association](#)

[Polish Economic Chamber of Renewable and Distributed Energy](#)

[Polish Offshore Wind Energy Society](#)

[Polish PV Association](#)

[Chamber of the Natural Gas](#)

Environmental Technologies

Overview

Poland spends less than half the European Union (EU) average on the environment - only 0.14% of its GDP compared to the EU average of 0.7%. The country spends 14 times more on defense and military than on the environment. Cohesion funds that Poland has been receiving from the EU since 2004 boost this spending somewhat. Poland received over USD 30 billion to finance the operational program Infrastructure & Environment between 2014-2020. In 2018 Poland spent approximately \$600 million on environmental protection activities. EU mandates have served as a catalyst to the growth of this market. EU environmental standards imposed on Poland create greater opportunities for U.S. businesses, which are used to generally stringent U.S. requirements, to compete. EU regulations drive Poland's environmental market. In the fifteen years since Poland joined the EU, EU funding has helped to build over 1,000 new water treatment plants, set up thousands of miles of new piping systems, reduced CO2 emissions by over 30 percent, created hundreds of new hazardous waste management facilities, and developed long-term programs to protect endangered plant and animal species.

State of the Environmental Regime

Poland's environmental regime has steadily improved since its accession to the EU in 2004. The 2001 Environmental Protection Act provides the legal framework for all commercial and environmental activities in Poland. The Ministry of the Environment (MoE) is the highest national office responsible for the preparation and implementation of environmental legislation and strategies. In accordance with EU directives, the Polish government prepares a national plan to implement environmental rules and to direct the corresponding regional governments, or voivodeships, to develop and implement cascading local plans. Overall, Poland's environmental governance exhibits a high level of national, regional, and municipal coordination. Environmental norms are relatively free from corruption and overall compliance is high. However per the recent [EU Environmental Implementation Review 2020](#), Poland needs to strengthen environmental governance and avoid Institutional changes that could weaken implementation and enforcement of environmental legislation.

Market Barriers

Differences in regulation and standards development philosophies between the United States and the EU are the biggest market barrier in Poland. The following obstacles are the most problematic for environmental technology companies attempting to export to or work in Poland:

1. Failure to recognize international standards:

The existing European Regulation on Standardization (EU) No 1025/2012 only recognizes standards from three international bodies: the International Organization for Standardization (ISO), the International Telecommunications Union (ITU), and the International Electrotechnical Commission (IEC). The EU's failure to recognize other international bodies prohibits the application of equivalent U.S. technologies in the market. In Poland, the CE mark is required. The Polish Center for Research and Certification (PCBC) is the national testing and certification office.

2. A preference for design-based standards over performance-based standards:

In the United States, environmental technology generally meets a performance standard, such as the mitigation of pollution below a level that protects health. This performance-based approach allows for innovation and a variety of ways to attain a goal. In the EU, many standards require technology to meet a design specification, thus prohibiting the use of any technology that meets important performance standards but lacks the design specifications to make it legal.

3. Precautionary standards and regulations:

In Europe, technological hazards and subsequent limitations on applications are tied to unknown future costs, as opposed to the risk-based approach in the U.S., which assesses the likelihood of both unknown and known risks against known benefits. Precautionary standards and regulations levy billions of dollars on manufacturers and service providers for testing and redesigning their products without a clear definition of the resulting benefits. Furthermore, precautionary regulations slow the delivery of environmental technologies to the market, even when pollutants pose a greater risk to human health than the technology in question.

4. EU assistance and subsidies for environmental projects:

To help Poland meet EU environmental standards, the EU often funds or subsidizes environmental infrastructure.

5. Slowed implementation of EU environmental rules:

EU environmental rules drive the development of environmental projects. When Poland takes time to adhere to EU environmental laws, this creates a lag in project development, slowing market growth overall.

Leading Sub-sectors

Air Pollution Control

Since Poland's accession to the EU in 2004, the country has made significant progress in reducing its emissions of greenhouse gases (GHG) and NO_x/SO_x. Nevertheless, it remains the most fossil fuel-reliant economy in the EU, and smog and particulate matter in the air remain serious problems in many Polish cities. Fossil fuels made up 75%% of Poland's energy sources in 2019, and coal is expected to remain the country's primary energy source in the medium-term. In the recent years, Poland recorded the highest levels of PM 2.5 in Europe, mainly because heating in the winter requires burning of biomass and coal. The Government recognized this problem starting, in 2015 passing an "anti-smog" law that allows local authorities to ban the burning of coal and other environmentally noxious substances in private homes and properties. Coal-fired power plants still emit excessive amounts of particulate matter and other air pollutants. In July 2017, the European Commission adopted new "Best Available Technique (BAT)", standards for Large Combustion Plants, which includes coal plants. By 2021, all EU coal-fired power plants need to meet these new standards, issued by the Commission in accordance with the Industrial Emissions Directive. Virtually all Polish coal power plants do not comply with the new EU regulation on industrial air pollution emissions standards that they need to meet by 2021. BAT Conclusions for Large Combustion Plants have to be implemented not later than August 18, 2021 in accordance with <https://ec.europa.eu/jrc/en/news/new-eu-environmental-standards-large-combustion-plant>.

Emissions from transportation, small industrial plants, and small boilers also contribute to Poland's air quality problems. Other contributors include industrial sources in areas where the geography prevents dispersion, such as in Krakow and Upper Silesia. These locations are often mountainous or in river valleys that trap air pollutants. Opportunities for air pollution control are found in EU Air Quality Directive 2008/50/EC, which includes air quality objectives. Poland will achieve improved air quality by implementing measures on the voivodship level. Voivodship boards will soon have to monitor the implementation of air protection plans by local governments. The latter will have less time to prepare such plans. Both ideas are among a number of new anti-smog measures that the government will deal with on Tuesday. A new draft amendment to the Environmental Protection Law is the government's reaction to the judgment of the Court of Justice of the European Union (CJEU) of May 2018, which indicated that the Polish authorities had not taken appropriate measures to contribute to the improvement of air quality. The verdict concerned the years 2007-2015. Attention to regional air quality plans is the most rational approach for U.S. businesses seeking to work in Poland's air pollution control market. In June 2018, the Polish government announced it will designate over USD 28 billion for financing thermo-modernization of buildings. The program, called "Clean Air", will be implemented from 2018 to 2029. The program is dedicated to individual home owners.

Technologies and services in demand include:

- Wet/dry scrubbers (particularly systems that remove multiple pollutants)
- Carbon injection systems (for reduction in mercury and organics)
- Particulate matter control systems (particularly new bagging systems)
- NO_x, mercury, CO₂ and particulate matter monitoring and continuous monitoring systems
- Selective catalytic and non-catalytic reduction controls
- Oxygen enrichment, fuel injection, and other efficient combustion technologies
- Innovative specialty cements
- Mixing technologies
- Pumping and fluid handling equipment
- Engineering and plant design
- Leak detection
- Alternative fuel technologies used to fire cement kilns
- Gas or biomass fueled boilers for individual users
- Small capacity energy storage.

Water and Wastewater Treatment

Municipal wastewater treatment, storm management expansion, and sewage networks under Poland's National Program of Municipal Wastewater Treatment (NPMWT) offer a variety of opportunities. In 2013, only 67% of Poles had homes connected to sewers. In 2018, this number increased to 70%. But still, 1,138 agglomerations do not have waste water collection systems and in 1,282 agglomerations collected waste water is not properly treated. In May 2020 the EU Commission sent an outlook to the government of Poland requesting its position.

Existing treatment facilities will undergo upgrades to reduce nitrogen and phosphorus levels in their wastewater by 75%, a goal outlined by the National Plan for Municipal Waste Water Management, (NPMWT). Flooding has sparked interest in stormwater management systems, while water scarcity in the long-term has generated concern over water efficiency through wastewater reuse. The Polish government ordered a contract for the design and development of river management systems, providing an attractive project for U.S. companies with expertise in stormwater infrastructure. The Polish government is also implementing a new water pricing scheme to promote water reuse and conservation for consumers, factories, and farms. The National Plan, updated annually, estimates budgetary outlays of USD 7 billion between 2017 and 2020 for the modernization of water infrastructure in 1,578 agglomerations.

Technologies and services in demand include:

- Engineering, procurement and construction services
- Advanced filtration
- Membrane filtration
- Waste to energy technology
- Anaerobic digestion
- Nitrification
- Biological denitrification
- Monitoring equipment
- Testing equipment.

Industrial Process and Wastewater

Poland suffers from water scarcity, with per capita resources averaging 1,450 to 1,700 m³ per year. Industry consumes the most freshwater resources in Poland, accounting for 70% of water intake. As a result, industry

has become the primary focus for water conservation and reuse programs. Fossil fuel extraction, processing, and power generation consumes the most water among the industrial segments. Other industries that consume large amounts of water include: metals and mining, pulp and paper, cement manufacturing, and construction. The National Plan, which attributes overconsumption to low prices, creates incentives for improved industrial water efficiency. The Polish government estimates that industry water consumption is two to three times higher in Poland than other EU nations. Increases in water tariffs will incentivize industries to find water efficient solutions for both processing and wastewater. The EU Priority Substance Directive (PSD) will limit the allowances of a new class of chemical substances, placing additional burdens on industry.

Sludge treatment and reuse is also a major issue in Poland. Poland produces over 700,000 tons of sludge per year, and as EU obligations related to landfill waste reduction mount, Poland will no longer use sludge in landfills. As a result, the demand for sludge treatment technologies will grow. The National Plan for Waste Management outlines that 60% of sludge is to be processed through incineration, a 25% increase from current levels. There is also a proposal to use treated sludge as a biomass fuel to help meet Poland's renewable energy targets. Limited capacity to develop and operate sludge drying and incineration technologies will generate demand for attendant services and technologies.

Technologies and services in demand include:

- Engineering, procurement, and construction services
- Advanced filtration
- Membrane filtration
- Waste-to-energy technology
- Anaerobic digestion
- Nitrification
- Biological denitrification
- Monitoring equipment
- Testing equipment.

Waste Management and Circular Economy

Landfills remain the predominant waste management method in Poland, with over 60% of waste destined for one of the country's 800 landfills. Poland is not yet compliant with the Urban Waste Water Treatment Directive. Since the 2017, Poland has updated its program for implementing the UWWTD and reported new data officially to the Commission. According to the latest reported data, which refers to 2016, Poland has 1587 agglomerations of more than 2000 population equivalent (p.e) with a total load of 38,793,049 p.e. However, the data show that more than 1000 agglomerations are not compliant with the Directive's collection and treatment requirements. There is growing pressure to improve Poland's waste management system to meet EU obligations. Contingent with EU regulations, the country must reduce its landfill waste by 50%, giving rise to recycling and incineration technologies. On the basis of the [EU Environmental Implementation Review 2019](#), the Commission decided to bring an infringement case against Poland. The estimated investment needed to ensure adequate collection and treatment in the remaining agglomerations is USD 6.9 billion.

In its National Development Plan, Poland outlined its waste reduction policy to include a selective waste collection system, facilities for waste recovery and recycling, and retiring unsanitary landfills. Waste management responsibilities are the purview of municipal and regional governments, thus, cities or voivodships will issue future contracts dealing with these national issues. EU mandates and funding for projects are also driving waste management projects. While waste-to-energy can be part of more comprehensive waste management strategies, source reduction and recycling are recognized as the preferred methods for solid waste management. The EU Circular Economy policy ranks incineration, even with energy recovery, on the penultimate place as a recommended waste management method. In addition, waste-to-energy solutions

should focus on air pollution and climate risks. Eleven waste-to-energy facilities with a capacity of 200,000 tons each are slated for development, and seven have been already completed. Those projects include facilities in Bialystok, Bydgoszcz, Torun, Konin, Krakow, Poznan, Gdansk and Szczecin, valued at USD 1 billion. The two years ago opened Poznan facility, was the first built under a Public-Private Partnership (PPP). Also Gdansk followed this model of financing. Warsaw is also interested in utilizing this model for its planned renovation and expansion of the existing waste-to-energy plant in Warsaw. The Ministries of Environment and State Assets support PPPs, which could yield opportunities for U.S. engineering, procurement, and construction (EPC) businesses. More waste-to-energy facilities could be built in the Silesian agglomeration, Lower Silesia, Warsaw, Olsztyn, Lodz, the Mazovian district, the Subcarpathian region, and the Lublin region within the next few years. Poland produces almost 13 million tons of waste each year, with this amount growing by approximately 1 million tons annually. Average Pole produces 300kg of waste per annum.

Technologies and services in demand include:

- Waste collection technologies
- Sanitary landfill systems
- Environmental monitoring and analytical equipment
- Sorting machines
- Crushing and grinding machines
- Materials handling equipment
- Recycling process expertise.

Environmental Permitting

The Ministry of Environmental Protection, the Main Inspector of Environmental Protection, and the Main Director of Environmental Protection regulate the use of environmental resources. The Main Inspector of Environmental Protection supervises compliance with environmental protection provisions, while the Main Director of Environmental Protection Issues Environmental Impact Assessments (EIAs). Polish administrative authorities emphasize firm compliance with national and EU environmental law and regulation. Breaching a permit is punishable by fines, criminal liability, and seizure of operations. The types of permits include integrated and single/separate permits. Integrated permits are required when activities could cause harm to the environment in general. These permits are renewed every five years and are strictly regulated. Single/separate permits are issued for activities that may affect an aspect of the environment that is protected from pollution, such as air and water. Single/separate permits are valid for a maximum of 10 years. The Act on Disclosing Information about the Environment and its Protection, the Participation of Society in Environmental Protection, and Environmental Impact Assessments of October 3, 2008 all serve as legislation to regulate EIAs. An EIA is required where an industrial infrastructure project may have a serious impact on the environment or a Natura 2000 area, an area that is protected because of its environmental significance.

Web Resources

Trade Shows

[POLECO](#) Poznan, October 21-23, 2020

[GREENPOWER](#) Poznan, October 21 – 23, 2020

[Waste Management SOS Expo](#) March 2021, Warsaw

[Ministry of Environment](#)

[Ministry of Climate](#)

[Chief Environment Inspectorate](#)

[Main Director of Environmental Protection](#)

[Public Procurement Office](#)

[Tender Electronic Daily](#)

[The Polish Center for Research and Certification \(PCBC\)](#)

[EU Environmental Implementation Review 2019](#)

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Infrastructure & Intelligent Transportation Systems

Overview

Poland continues to devote sizeable resources to the development of its transportation. The National Directorate for Roads and Highways (GDDKiA), the Polish Railway PKP S.A., the Polish Railway Networks (PKP-PLK), Ministry of Development, Ministry of Infrastructure, and Ministry of Maritime Economy and Inland Waterways are all responsible for nation-wide or regional projects. In addition, local governments are responsible for infrastructure projects for their own communities. Many highway, railway, and inland-waterway projects are eligible for EU funding. One of the auspicious side effects of developing Poland's transportation systems in the past few years has been the rapid development of Intelligent Transport Systems (ITS). ITS solutions have become an important part of highway and road infrastructure. Under the current EU funding scheme, for 2014 to 2023, the government plans to invest \$17,5 billion in railway infrastructure and \$36,6 billion in road infrastructure. Successful country-wide ITS implementation includes Viatoll, a system of collecting payments from trucks using paid roads, and CANARD, connecting all photoradars. The Directorate is currently processing system upgrades and implementing new technologies. In May 2020, GDDKiA signed a contract for National System of Traffic Management for the value of \$53 million. The goal of the project, co-financed by EU, is to monitor in real time highways and express roads.

The ITS sector is becoming better organized. In 2013, key industry players founded the ITS Cluster ("Klaster ITS") to support and inspire greater and more efficient cooperation between the private sector, government authorities, and academics. The ITS Polska Association controls the cluster and has divided it into eight working groups: mobility management, dual-use technologies, traffic management, metrology, billing and control systems, rail ITS, shared services centers, and smart cities. Each working group is led by one of almost 30 Cluster members. ITS Polska also organizes the annual ITS Poland Congress, a gathering of industry representatives; academic experts; and central, local, and municipal governments.

Leading Sub-Sectors

Road Transportation

Poland has a large and growing road network of about 1053 miles of highways and 1506 miles of express roads. The country was listed as 5th in Europe regarding the length of highways and motorways. Under the current program, GDDKiA plans to spend \$37.5 billion on highways and roads by 2025. This would allow investments in new road infrastructure or upgrades. Only in 2019, 285 miles of new roads have already been constructed. More than 623 miles of roads are now under construction, while 237 miles of roads are in the tender process. The government earmarked over \$7 billion for construction on the Polish part of the Via Carpatia, an international route connecting Lithuania with Greece, including supporting infrastructure and plans for new ring roads in several cities. Via Carpatia should be finished in 2025.

One of the most important investments under current programs is the National Traffic System, which received a \$139 million subvention from the European Commission. The system will support drivers by informing them in real-time about traffic, accidents and road conditions. In 2018, the government announced the Bridges for Regions program, where 21 bridges will be built over the largest Polish rivers. The project is estimated to cost \$640 million and construction started in 2020.

Railway transportation

PKP S.A. is the dominant company on the railway market in Poland. Today, Polish railway infrastructure has 12,000 mi of railway tracks.

Most of the works are funded by EU Program Infrastructure and Environment for the 2014-2020 perspective. EU has already spent over 10 billion USD for modernization of Polish railway. Within the program, 900 km of railway roads will be created or improved, and 500 trains will be upgraded.

In the perspective 2021-2030, Polish railway will receive \$ 75 billion for the development. Under the National Railway Program (KPK), the most important investment railway program in Poland, PKP PLK has planned for over 220 infrastructure projects, worth \$18.7 billion, which will improve over 5,592 mi of railroad tracks. Until now, projects worth USD 2,6 billion have been completed, projects worth USD 10 billion are already started. The priority is the cargo routes, especially those linking the south of the country with the seaport in the north and those in large cities. The railway projects that would benefit include modernization of the cargo route in Southern Poland Chorzow-Zdunska Wola (over \$1 billion), as well as improvement of railway infrastructure linking seaports in Gdansk, Swinoujscie and Gdynia (\$1,55 billion). The aim of the program is also to increase average train speed on 8.5000 km of railroads. Currently, Polish train speeds are much lower than the EU average. In 2019, the Ministry of Infrastructure announced the Kolej+ program which aims to improve local and regional railway infrastructure. The value of the program is \$1.6 billion. It will be realized between 2019-2028.

Intermodal transportation is the future of Polish railroads. The main obstacles in developing intermodal transportation are the slow speed of cargo trains, which are two times slower than the EU average, and the inadequate number of intermodal terminals. In June 2018, the EU increased the funds for intermodal transportation in Poland to \$550 million to address these concerns. PKP SA plans to invest in new multimodal logistic centers. A center in Bydgoszcz, called X-Logistics, is already under discussion. In agreement with seaports, PKP plans to build as many as 19 intermodal terminals throughout the country. These projects would be carried out until 2030.

Airport Infrastructure

Nearly 50 million passengers traveled through Polish airports in 2019, reaching a record compared to 2018, an increase of 6%, according to estimations.

Warsaw Chopin airport is an economic leader with growth of 6.2% compared to 2018, mainly with LOT Polish Airlines (18.9 million passengers). Regional airports are also fast growing with a large increase in passengers and with development plans. Polish Regional Ports identified 210 investment needs (of \$1 billion) to be realized in regional airports. They should be realized between 2018 and 2037.

The biggest project that will be realized within next years is the Solidarity Transport Hub (STH) – a brand new international airport. STH is the government’s response to a substantial increase in air passenger traffic in Poland. Last year, 18.9 million passengers travelled through Poland’s largest airport (Chopin Airport), which has no possibility to expand. STH is designed to handle 45 million passengers and will have the opportunity to eventually support 100 million passengers. According to government plans, STH is scheduled to launch in 2027 at an estimated cost of \$9 billion – the most expensive single infrastructure project since 1989. STH will be located in Central Poland, approximately 25 miles from Warsaw.

The STH project is one of the top priorities of the current government, receiving \$75 million from the government in 2019. The aim of the project is to broaden the collaboration between airports and railways, where the cost of investment would be even higher than the cost of the hub itself. The railway network will cost around \$10 billion and, according to the government. The Solidarity Transport Hub already received \$3.5 million for first rail investments in Southern Poland. The government plans to create 808 miles of new railway infrastructures. According to the Ministry, the time to reach the airport from Warsaw city center will take around 15 minutes and from other major cities in Poland – 2-2,5 hours via high-speed train. The government also plans to create a system that will allow passengers to check in while entering the train.

The new international hub would become important not only for passengers but also for logistics. Poczta Polska (Polish Post) announced that the company would build a Central Logistics Hub close to the airport. Eventually, the government would like to create a high technology smart city around the airport. Such a city would employ directly more than 50,000 people.

The STH presents significant opportunities for U.S. companies interested in project management and smart solutions.

Other upcoming projects

- Central Seaport in Gdansk: The concept for this project is ready, and will followed by environmental assessment and public discussions. Estimated completion date: 2029. Estimated cost of the project: \$1,57-\$2,10 billion
- Port Gdynia Project: creation of an additional port that will toad up to 180ha, to the already existing 240 ha. Cost of the project: \$0,66 billion, Estimated completion date: 2026.
- The government is also pursuing the Piercing Spit of Vistula, a flagship project. If completed, this will create a 1,300 m long and 5 m deep canal that would create an inland port in the city of Elblag. The project will cost \$250 million and it will be finished in 2022.

Good opportunities for U.S. exporters include:

- Engineering, project creation in Solidarity Transport Hub
- Technological companies which can help with the smart city that will be constructed near the Solidarity Transport Hub.

Trade events

[Trako](#), Gdansk, September 21-24, 2021

Web Resources

[ITS Polska](#)

[Ministry of Infrastructure](#)

[Ministry of Maritime Economy and Inland Waterways](#)

[General Directorate of Roads and Highways](#)

[Road Traffic Automatic Supervision Centre \(CANARD, part of General Directorate of Roads and Highways\)](#)

[PKP S.A.](#)

[PKP Polish Railway Networks](#)

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Agricultural Sector

Overview

Total 2019 U.S. agricultural and related product exports to Poland were valued at \$513 million, a 6.7-percent increase over 2018. The U.S. Embassy's Office of Agricultural Affairs provides routine market intelligence to U.S. food and agricultural exporters, and regularly creates linkages between Polish food, bulk commodity, beverage, and ingredient importers and U.S. exporters.

Best prospects for U.S. agricultural products include seafood (pollock, salmon), livestock feed ingredients, such as soybean meal and feed preparations, and consumer-oriented products, including wine, tree nuts (almond s), dried fruit (cranberries and prunes), distilled spirits, and hardwood lumber.

Leading Sub-Sectors

Seafood

Poland remains one of the largest fish processors in the European Union and imports almost 95 percent of the seafood it processes. Poland ranks among the biggest salmon importers in the world and sources products mostly from Norway, Sweden, and the United States. Post forecasts that imports of pollock and other seafood (salmon) from the United States will decrease in 2020, due to COVID-19 market disruptions and competition from Norway, Russia, and China. Although domestic seafood consumption in Poland continues to increase, most seafood processed in Poland is bound for markets in other EU Member States.

Commodity Group: Pollock

Harmonized Schedule Code(s): HS030475, HS030494, HS030367

Value in US\$1,000

	2017	2018	2019	2020 (f)
Total Imports	92,840	110,496	130,371	120,000
Total Imports from U.S.	27,697	34,992	32,904	30,000

Soybean Meal

In 2019, Poland imported 2.64 million metric tons (MMT) of soybean meal, a five-percent increase over 2019, valued at over \$1.0 billion. 85 percent of 2019 soybean meal imports were sourced from South America. Soybean meal is a significant source of protein and is an important input in Poland's large poultry production sector. Post forecasts that soybean meal imports in 2020 will diminish (volume terms) in comparison with 2019, due to lower poultry production, which was affected by spread of highly pathogenic avian influenza in poultry flocks. In the first half of the 2020, the poultry industry was hit hard by the COVID-19 outbreak, which limited Polish poultry exports significantly. Poland imported 128,243 metric tons (MT) of U.S. soybean meal in 2019, a 48 percent increase over 2018. In 2020, U.S. soybean meal shipments to Poland are expected to decline by about 30 percent and in conjunction with Poland's decrease in poultry production related to COVID-19, lower demand from HORECA sector, and price competition from Argentina and Brazil.

Commodity Group: Soybean meal

Harmonized Schedule Code(s): HS 230400

Value in US\$1,000

	2017	2018	2019	2020 (f)
Total Imports	894,806	1,042,586	950,761	922,238

Total Imports from U.S.	10,708	38,411	46,379	32,500
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Wine

Poland is a leading importer of wine in Central Europe, with Italy, France, and Spain accounting for about 60 percent of Polish market share. Polish wine import growth in 2020 is bound to be affected by the COVID-19 pandemic impact on restaurant sector in Poland. The U.S. wines, along with other “new-world” wines, are gaining in popularity and becoming increasingly visible. While California wines are better known in Poland, wines from the Pacific Northwest are also increasingly recognized. Although more and more Polish consumers are aware of U.S. wines, educating consumers about the unique attributes of U.S. wines remains necessary.

Commodity Group: Wine

Harmonized Schedule Code(s): HS2204

Value in US\$1,000

	2017	2018	2019	2020 (f)
Total Imports	317,318	354,186	360,524	360,800
Total Imports from U.S.	42,243	44,189	34,415	34,800

Tree Nuts (Almonds)

Most U.S.-origin tree nuts imports are almonds, which are increasingly popular as an ingredient in food processing, particularly for confectionary, bakery, and snack food sectors. Spain is the leading competitor for U.S. almonds in Poland. Tree nut imports from the United States in 2020 fruit are bound to be negatively affected by the COVID-19 pandemic and lower demand for high-value products among many Polish consumers. Almonds are likely to regain popularity among Polish consumers as they increase home baking and snacking.

Commodity Group: Tree Nuts - Almonds

Harmonized Schedule Code(s): HS 080212

Value in US\$1,000

	2017	2018	2019	2020 (f)
Total Imports	45,570	46,101	53,613	54,000
Total Imports from U.S.	17,981	18,576	25,513	26,000

Processed Fruit

The dried fruits market is experiencing dramatic growth, led by dried cranberries, prunes, and dried cherries, which have experience steady popularity as snack foods. U.S.-origin dried fruit imports in 2020 are bound to be negatively affected by the COVID-19 pandemic and lower demand for high-value products among Polish consumers. Dried fruit are likely to regain popularity among Polish consumers as they increase home baking and snacking.

Commodity Group: Processed Fruit

Harmonized Schedule Code(s): HS 2008

Value in US\$1,000

	2017	2018	2019	2020 (f)
Total Imports	239,789	247,937	241,784	241,900
Total Imports from U.S.	19,414	21,073	19,167	19,200

Bovine Semen

There is strong interest in U.S. dairy genetics in Poland due to the unprecedented growth in Poland's dairy industry. In 2019, Polish bovine semen total imports were valued at \$7.1 million. The value of imported U.S. bovine semen in 2019 was about \$1.9 million, a 27-percent increase over the previous year. Higher dairy prices and consistent consumer demand for dairy products on the world market are driving demand for U.S. bovine genetics among Poland's dairy producers.

Commodity Group: Animal Genetics

Harmonized Schedule Code(s): HS 051110

Value in US\$1,000

	2017	2018	2019	2020 (f)
Total Imports	7,300	8,400	7,100	6,800
Total Imports from U.S.*	1,178	1,500	1,946	1,400

**Please note that imports from the U.S. include bovine semen imported to Poland via U.K.*

Hardwood Lumber

U.S.-origin wood-sawn and/or chipped lumber products accounted for 42 percent of the total U.S. wood and wood products exported to Poland in 2019. Its share in total U.S. wood exports to Poland diminished over the last three years in favor of rough wood. Market trends for U.S. lumber and wood products in Poland are in flux due to strong international competition and local price sensitivities.

Commodity Group: Wood Sawn or Chipped Lengthwise

Harmonized Schedule Code(s): HS 4407

Value in \$1,000

	2017	2018	2019	2020(f)
Total Imports	345,361	400,757	351,864	320,000
Total Imports from U.S.	4,097	2,414	2,408	1,700

Commodity Group: Wood in the rough, whether or not stripped of bark

Harmonized Schedule Code(s): HS 4403

Value in \$1,000

	2017	2018	2019	2020 (f)
Total Imports	113,664	108,700	106,215	96,000

Total Imports from U.S.	1,442	1,494	1,724	1,400
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Beans and Other Pulses

Although legume imports from the United States remain smaller than competition from China and South America, this segment show growth potential. Polish importers and food processors are increasingly aware that U.S. beans and pulses are higher quality than similar products from competing markets and can be price competitive. In 2019, U.S. exports diminished by half in comparison with the previous year due to the lower crop and price competitiveness from other markets.

Commodity Group: Leguminous Vegetables, including dried beans

Harmonized Schedule Code(s): HS 0713

Value in \$1,000

	2017	2018	2019	2020 (f)
Total Imports	21,241	25,589	27,997	26,000
Total Imports from U.S.	2,424	4,171	2,035	2,350

Web Resources

Agricultural Reports

[Attaché reports](#) provide information on market opportunities, crop conditions, new policy developments and information on the local food industry. Some standard reports include the Retail Market Report, Exporter Guide, Food Service Report, and market briefs on select products. Post also recommends that interested stakeholders review the EU-28 reports.

Trade Data

Please refer to the USDA's [Global Agricultural Trade System \(GATS\)](#). GATS include international agricultural, fish, forest and textile products trade statistics dating from the inception of the Harmonized coding system in 1989 to present.

Data Source: Central Statistical Office (CSO) data published by Trade Data Monitoring (TDM), Customs Databases used tracks reported intra-EU transshipments of the U.S. products.

Customs, Regulations and Standards

Trade Barriers

All business entities operating in Poland (including foreign companies) have equal access to international trade. However, this access is subject to trade policy measures introduced by the EU, which Poland is obliged to observe.

There are certain licensing requirements, not related to commercial policy, for trading in dual-use (i.e., both civil and military use) goods and technologies, in certain chemicals, particularly narcotic drugs and psychotropics, or in cultural goods. Separate arrangements are applied to trade in certain agricultural products under the European Union's Common Agricultural Policy (CAP), including export/import licensing, quantitative restrictions, export refunds or preferential tariff arrangements. The Minister of Development issues licenses and permits for trading in goods when required. The National Support Center for Agriculture issues licenses and permits in the case of agricultural products.

A range of products is prohibited for reasons relating to the protection of the natural environment, national security, public order, human, plant and animal health.

Customs authorities may detain goods when they suspect infringement of intellectual property, based on supporting documents submitted by the rights holder to the Central Customs Board. For information on existing trade barriers, please see the [2020 National Trade Estimate Report \(NTE\)](#) published by USTR.

Information on [agricultural trade barriers](#) is published by the U.S. Department of Agriculture.

Poland's [National Support Center for Agriculture](#) also provides useful information on agricultural goods and trade.

In December 2018, the Polish Parliament postponed provisions under the 2006 Feed Act (OJ 2006 No. 144, item 1045) banning the use of genetically-engineered (GE) feed and feed ingredients until January 1, 2021. Enforcement of these provisions under the 2006 Feed Act has been postponed three times due to strong opposition from Poland's livestock industry. Polish poultry and swine producers can continue to use various feed ingredients, including imported soybean meal, in livestock rations through 2020. Post is engaged with Poland's Ministry of Agriculture and Rural Development to seek another postponement of provisions under the 2006 Feed Act which ban biotech feed ingredients for 2021.

To report existing or new trade barriers and get assistance in removing them, contact either the [Trade Compliance Center](#) or the [U.S. Mission to the European Union](#).

Import Tariffs

When products enter the EU, they need to be declared to Customs according to their classification in the Combined Nomenclature (CN). The CN document is updated and published every year, and the latest version can be found on the [European Commission's website](#).

Upon its accession to the European Union on May 1, 2004, Poland became part of the EU customs union. This means that the same import duty rates are applicable in all member states. Tariff rates are contained in the European Union's Common External Tariff. Information on customs duty rates is available from the [Integrated Tariff of the European Community \(TARIC\) database](#). U.S. exporters seeking to enter the Polish market can obtain useful information from the Office of European Union and Regional Affairs at the U.S. Department of Commerce.

The Polish Customs Service (Sluzba Celna) has an official [Tariff Browser](#) (a module of the Integrated Tariff System – ISZTAR), that provides information on tariffs of goods in international trade. The Tariff Browser contains data from the TARIC system (goods nomenclature, duty rates, restrictions, tariff quotas, tariff ceilings and suspensions) as well as national provisions (VAT, excise tax, restrictions and nontariff measures). The Browser is maintained by the Customs Department of the Ministry of Finance within the framework of the Integrated Customs Tariff Information System – ISZTAR3.

Import Requirements and Documentation

The TARIC described above, is available to help determine if a license is required for a product. Moreover, the European Commission maintains a [trade helpdesk](#) with information on import restrictions of various products.

Many EU member states maintain their own list of goods that are subject to import licensing.

Poland's "Import List" includes goods for which licenses are required, their code numbers, any applicable restrictions, and the agency that will issue the relevant license. The Import List also indicates whether the license is required under Polish or EU law. The relevant bodies for issuing licenses for import of goods are:

Ministry of Development, Department of Small and Medium Enterprises (former Department of Trade and Services): Tel:+48 22 262 94 47; e-mail: SekretariatDMP@mr.gov.pl for industrial goods and Ministry of Development, Department of Sensitive Goods Trading and Technical Security: tel: +48 22 411 96 65; e-mail: sekretariatDOT@mr.gov.pl for sensitive and dual-use goods; National Center for Agriculture Support (Krajowy Ośrodek Wsparcia Rolnictwa), Department for Market Interventions: tel:+48 22 376 71 09; e-mail: kontakt@kowr.pl for agricultural and food products.

Labeling and Marking Requirements

Summary

There is a broad array of EU legislation pertaining to the marking, labeling and packaging of products, with neither an “umbrella” law covering all goods nor any central directory containing information on marking, labeling and packaging requirements. This overview is meant to provide the reader with a general introduction to the multitude of marking, labeling and packaging requirements or marketing tools to be found in the EU.

Introduction

The first step in investigating the marking, labeling and packaging legislation that might apply to a product entering the EU is to draw a distinction between what is mandatory and what is voluntary. Decisions related to mandatory marking, labeling and/or packaging requirements may sometimes be left to individual Member States. Furthermore, voluntary marks and/or labels are used as marketing tools in some EU Member States. This report is focused primarily on the mandatory marks and labels seen most often on consumer products and packaging, which are typically related to public safety, health and/or environmental concerns. It also includes a brief overview of a few mandatory packaging requirements, as well as more common voluntary marks and/or labels used in EU markets.

It is also important to distinguish between marks and labels. A mark is a symbol and/or pictogram that appears on a product or its respective packaging. These range in scope from signs of danger to indications of methods of proper recycling and disposal. The intention of such marks is to provide market surveillance authorities, importers, distributors and end-users with information concerning safety, health, energy efficiency and/or environmental issues relating to a product. Labels, on the other hand, appear in the form of written text or numerical statements, which may be required but are not necessarily universally recognizable. Labels typically indicate more specific information about a product, such as measurements, or an indication of materials that may be found in the product (such as in textiles or batteries).

For a general overview please see the link: <https://www.trade.gov/knowledge-product/european-union-labelingmarking-requirements>

U.S. Export Controls

A validated U.S. export license is required prior to shipping certain controlled commodities to Poland, as provided under the U.S. Department of Commerce's Bureau of Industry and Security Commodity Control List. For more information and assistance, please contact BIS's Office of Exporter Services at (202) 482 4811 or refer to [BIS website](#)

Poland is a member of the Wassenaar Agreement and has established its own export control regime for munitions and dual use commodities. That regime is managed by the Polish Ministry of Entrepreneurship and Technology, the Department of Sensitive Goods Trading and Technical Security. The export control regime is fully compatible with EU regulations. The [Ministry of Development's Department for Trade in Dual Use Products](#) responsible for Poland's export control regulation. Information is available only in Polish. The EU export control regime is governed by Regulation (EC) No 428/2009, which provides for common EU control rules, a common EU control list and harmonized policies for implementation. Information on the EU dual-use export controls are found here.

The United States imposes export controls to protect national security interests and promote foreign policy objectives related to dual-use goods through implementation of the Export Administration Regulations (EAR). The Bureau of Industry and Security (BIS) is comprised of two elements: Export Administration (EA), which is responsible for processing license applications, counselling exporters, and drafting and publishing changes to the [Export Administration Regulations](#); and Export Enforcement (EE), which is responsible for the enforcement of the EAR. BIS works closely with U.S. embassies, foreign governments, industry, and trade associations to ensure that exports from the United States are secure and comply with the EAR. BIS officials conduct site visits, known as End-Use Checks (EUCs), globally with end-users, consignees, and/or other parties to transactions involving items subject to the EAR to verify compliance.

An EUC is an on-site verification of a non-U.S. party to a transaction to determine whether the party is a reliable recipient of U.S. items. EUCs are conducted as part of BIS's licensing process, as well as its compliance program, to determine if items were exported in accordance with a valid BIS authorization or otherwise consistent with the EAR. Specifically, an EUC verifies the *bona fides* of transactions subject to the EAR, to include: confirming the legitimacy and reliability of the end use and end user; monitoring compliance with license conditions; and ensuring items are used, re-exported or transferred (in-country) in accordance with the EAR. These checks might be completed prior to the export of items pursuant to a BIS export license in the form of a Pre-License Check (PLC), or following an export from the U.S. during a Post-Shipment Verification (PSV).

BIS officials rely on EUCs to safeguard items subject to the EAR from diversion to unauthorized end uses/users. The verification of a foreign party's reliability facilitates future trade, including pursuant to BIS license reviews. If BIS is unable to verify the reliability of the company or is prevented from accomplishing an EUC, the company may receive, for example, more regulatory scrutiny during license application reviews or be designated on BIS's Unverified List or Entity List, as applicable.

BIS has developed a list of "red flags", or warning signs, and compiled "Know Your Customer" guidance intended to aid exporters in identifying possible violations of the EAR. Both of these resources are publicly available, and their dissemination to industry members is highly encouraged to help promote EAR compliance.

BIS also provides a variety of training sessions to U.S. exporters throughout the year. These sessions range from one to two-day seminars that focus on the basics of exporting to coverage of more advanced, industry specific topics. Interested parties can check This is a best prospect industry sector for this country. Includes a

market overview and trade data [list of upcoming seminars and webinars](#) or reference BIS provided [online training](#).

BIS and the EAR regulate transactions involving the export of “dual-use” U.S. goods, services, and technologies. For advice and regulatory requirements, exporters should consult the other U.S. Government agencies which regulate more specialized items. For example, the U.S. Department of State’s Directorate of Defense Trade Controls has authority over defense articles and services, or munitions. A list of other agencies involved in export control can be found on the [BIS website](#) or in Supplement No. 3 to Part 730 of the EAR.

The EAR is available on the [BIS website](#) and on the [e-CFR](#) (Electronic Code of Federal Regulations) and is updated as needed. The [Consolidated Screening List](#) (CSL) is a list of parties for which the United States Government maintains restrictions on certain exports, reexports or transfers of items. The CSL consolidates eleven export screening lists of the Departments of Commerce, State and the Treasury into a single data feed as an aid to industry in conducting electronic screens of parties to regulated transactions. Exporters are encouraged to classify their items prior to export, as well as consult the CSL to determine if any parties to the transaction may be subject to specific license requirements.

Temporary Entry

A permit is also required for the temporary import of goods, which takes place under the supervision of Polish customs officials. Written confirmation is required, stating that the goods will be sent from Poland on specific dates. A deposit is required for the import of the goods subject to clearance, which must equal the value of the goods to be exported or the total import customs duty and taxes. Commercial samples of zero or low value can usually be imported free of customs duty by means of a written statement to Polish customs confirming the value of the sample and that it will stay in the possession of the importing entity. Promotional materials must be clearly marked “no commercial value” in order to clear customs. Temporary imports may also enter Poland under an ATA (Temporary Admission) Carnet.

More information on the [ATA Carnet](#) is found at [trade.gov](#).

As of May 2015, new EU-wide legislation applies to the Temporary Importation of means of transport. Existing regulation has been amended to exclude the possibility of misuse in case of Temporary Importation of means of transport.

Prohibited and Restricted Imports

The import of certain commodities into Poland is prohibited, usually as the result of international sanctions. A variety of goods and commodities are subject to import (and export) restrictions to protect the safety and lives of humans, animals and plants, safeguard national security, or to protect artistic, cultural or intellectual property. Examples are restrictions and controls on the import of certain food products, drugs, pharmaceuticals, environmentally hazardous products, seeds, weapons, explosives, and antiques.

As an EU member, Poland adheres to EU-wide business directives and requires local market compliance.

There is an online customs tariff database, called [TARIC](#), which is designed to show various rules applying to specific products being imported into the customs territory of the EU or, in some cases, when exported from it. To determine if a product is prohibited or subject to restriction, check the TARIC for that product for the following codes:

CITES Convention on International Trade of Endangered Species

PROHI Import Suspension

RSTR Import Restriction

For information on how to access the TARIC, see the Import Requirements and Documentation Section.

Customs Regulations

Poland as one of the 27 member states of the European Union is a member of the Customs Union.

The EU Customs Union means there are common customs duties on imports from outside the EU, common rules of origin for products from outside the EU, and no customs duties at internal borders between the EU Member States.

Customs Information Service

Poland as a member of the European Union is also a member of the EU Customs Union. The basic rules of the EU Customs Union include: no customs duties at internal borders between the EU Member States; common customs duties on imports from outside the EU; common rules for origin of products from outside the EU; and common definition of a customs value. Poland has adopted the Common Customs Tariff (CCT) of the EU that applies to goods imported from outside Europe, while transactions carried out between Poland and the European Economic Area (EEA) countries are free of duty. In general, EU external import duties are relatively low, especially for industrial goods (4.2% on average). Applicable customs duty for a specific product imported from a selected country of origin, can be found on the [TARIC website](#). The combined Nomenclature of the European Community (EC) integrates the HS nomenclature and has supplementary eight figure subdivisions and its own legal notes created for community purposes. For goods from outside Europe, customs duties are calculated ad valorem on the CIF value, in accordance with the Common Customs Tariff (CCT) for all the countries of the Union. Customs authorities are primarily responsible for the supervision of the Community's international trade.

[National Revenue Administration](#)

[State Tax and Customs Administration](#)

[Customs Department](#)

ul. Swietokrzyska 12

00-916 Warszawa

Tel. +48 22 694 50 05, +48 22 694 55 58

Fax: +48 22 694 43 03

E-mail: Sekretariat.DC@mf.gov.pl

Customs Information Center

Customs Office in Katowice

ul. Bielska 47a

43-400 Cieszyn

Tel. 801 055 055

Tel. +48 22 330 03 30

E-mail: info.sluzbacelna@kat.mofnet.gov.pl

Standards for Trade

For full overview of the European Union legislation on standards please click here to reference the European Union Country Commercial Guide: <https://www.trade.gov/knowledge-product/european-union-ce-marking-and-eu-standards> For standards information specific to Poland, see below.

Standards

The Polish Committee for Standardization (PKN) is the only Polish body that creates standards at the national level when no EU-wide standards have been set and which also represents the Polish member state vote within the European standards setting organizations of CEN, CELENEC, and ETSI when an EU-wide harmonized standard is being developed. Since Poland joined the European Union, Polish standards have been revised to be consistent with EU Standards. PKN sells standards documents electronically on its web-site [Digital System for the Sale of Products and Services](#) (in Polish).

Product Certification

In Poland, the Polish Center for Testing and Certification (PCBC) is the leading organization for product testing and certification. With over 50 years of experience, this organization also certifies management systems and conducts personnel trainings. PCBC is a member of many international and European organizations acting in the field of quality management, conformity assessment of products and systems and training and certification of personnel. PCBC is the EU Notified Body No. 1434 for 11 New Approach Directives and it strives to extend its scope of notification. The PCBC runs activities in the scope of:

- organization of certification system for: B, Q, Eko, Ecolabel mark,
- certification of management systems (PCBC and IQNet certificates),
- product certification,
- conformity assessment of products and management systems per notifications
- certification of personnel
- organization of training and improvement of personnel development in the field of quality (testing, certification, and accreditation)
- testing of products,
- certification of ecological farms

Accreditation

[Polskie Centrum Akredytacji – Polish Center for Accreditation](#) is the national accreditation body authorized to accreditation of conformity assessment bodies. “For other Polish and European Union notified bodies, we recommend using [this link](#)

Trade Agreements

[List of trade agreements with the EU](#) and its member states, as well as concise explanations.

The European Commission, on behalf of the EU, is currently negotiating or negotiated (but not yet in force), a number of trade agreements with third countries or groupings of such countries, and investment agreements. The Ministry of Development identifies Polish interests in specific negotiations, coordinates the development of the Polish position, and presents and defends this position in the EU forum. It is also responsible for coordinating the implementation of concluded trade agreements in Poland.

The most comprehensive information on trade agreements negotiated by the EU is available on the website of the European Commission's Directorate-General for Trade: [EU negotiations and trade agreements](#).

Licensing Requirements for Professional Services

Following EU laws, Poland recognizes professional service providers who have already been recognized in the EU. For individuals who would like to practice their profession in Poland, the first step is to get a work permit. Their employers apply for the work permit to the provincial authorities in Poland. Even though Poland ceased licensing requirements for firms offering legal or accounting services, professionals are required to have their professional qualifications either on European or a local level. A current list of regulated professions in Poland is available [here](#)

The recognition of skills and qualifications acquired by EU citizens in EU Member States, including the corresponding recognition procedures and charges are, in accordance with article 165 of the TFEU, the responsibility of Member States. Similarly, recognition of skills and qualifications earned in third countries is also a national responsibility.

If an individual with a foreign qualification was recognized in a member state and now wants to move to another EU country and has worked for at least 3 years in the EU country that has first recognized the qualifications, that individual can apply for professional recognition in another EU country under the rules that apply to professionals that have received their qualification from an EU country. To prove the necessary experience to exercise a profession, a certificate issued by the EU country that first recognized your qualifications may be needed. This applies to both EU citizens and non-EU citizens.

However, the European Commission takes initiatives to facilitate recognition procedures. For example:

Recognition of professional qualifications obtained in one Member State for the purposes of access and pursuit of regulated professions in another Member State is subject to Directive 2005/36.

Recognition of qualifications for academic purposes in the higher education sector, including graduation certificates is subject to the *Lisbon Recognition Convention*. The ENIC-NARIC network provides advice on (cross-border) recognition of these qualifications. In Poland, [Ministry of Science and Higher Education](#) is primary contact for recognition of diplomas and professional qualifications,

Recognition in other cases is assessed and granted (or denied) by the receiving educational provider or employer. For them to be able to recognize skills and qualifications an **understanding of the level, content and quality** of the education is needed. The Commission currently explores the possibilities on how to better support these recognition decisions.

The ["Your Europe"](#) website maintains a webpage dedicated to helping citizens identify what the regulated professions are and what documents are needed for their recognition in each Member State

Selling US Products and Services

Distribution & Sales Channels

Using an Agent or Distributor

Overview

Companies wishing to use distribution, franchising and agency arrangements need to ensure that the agreements they put into place are in accordance with EU laws and member state national laws. Council Directive 86/653/EEC establishes certain minimum standards of protection for self-employed commercial agents who sell or purchase goods on behalf of their principals. The Directive establishes the rights and obligations of the principal and its agents, the agent's remuneration, and the conclusion and termination of an agency contract. It also establishes the notice to be given and indemnity or compensation to be paid to the agent. U.S. companies should be particularly aware that according to the Directive, parties may not derogate from certain requirements.

Using an Agent to Sell US Products and Services

Polish trade partners most often serve their U.S. counterparts as distributors. They import goods, clearing them through customs and then offer them on the local market. Their network of contacts in the industry is highly leveraged when offering products on the market. One of the most common tools for distributors to use is the internet, where goods are advertised and, increasingly, also sold through e-commerce. Signing an agent agreement with a Polish entity allows the agent to act as a representative for the foreign company in Poland. Agents have the authority to manage the company's activities in the country and often also to act as distributors. In most cases, product and marketing training must be provided to new distributors. There are no local laws imposing rules specifically for Polish importers. Distributor and agent agreements may take any form mutually beneficial to the parties involved.

A good starting point for finding a distributor or an agent is to review websites of local companies. There is also the [Kompass database](#). With information on many local businesses. Visiting a trade show in Poland is also a good occasion to review local businesses and to meet with potential partners. Catalogs of trade events usually include a brief description of each exhibitor, also in English. We highly recommend utilizing the services of the U.S. Commercial Service, such as the International Partner Search (IPC) and/or our signature Gold Key Service (GKS) if you are inexperienced in the market. Our specialists have deep and broad knowledge of many market sectors and can help save U.S. business representatives' time and money finding and screening (International Company Profile) potential distributors or agents.

Companies wishing to use distribution, franchising and agency arrangements need to ensure that the agreements they put into place are in accordance with EU and member state national laws. [Council Directive 86/653/EEC](#) establishes certain minimum standards of protection for self-employed commercial agents who sell or purchase goods on behalf of their principals. The Directive establishes the rights and obligations of the principal and its agents, the agent's remuneration and the conclusion and termination of an agency contract. It also establishes the notice to be given and indemnity or compensation to be paid to the agent. U.S. companies should be particularly aware that per the Directive, parties may not derogate from certain requirements. Accordingly, the inclusion of a clause specifying an alternate body of law to be applied in the event of a dispute will likely be ruled invalid by European courts.

The European Commission's Directorate General for Competition enforces legislation concerned with the effects on competition in the internal market of "vertical agreements." U.S. small- and medium-sized companies (SMEs) are often exempt from these regulations because their agreements likely would qualify as "agreements of minor importance," meaning they are considered incapable of impacting competition at the EU level but useful for cooperation between SMEs. Companies with fewer than 250 employees and an annual turnover of

less than €50 million are considered small- and medium-sized. The EU has additionally indicated that agreements that affect less than 10 percent of a particular market are generally exempted ([Commission Notice 2014/C 291/01](#)).

The EU also looks to combat payment delays. [Directive 2011/7/EU](#) covers all commercial transactions within the EU, whether in the public or private sector, primarily dealing with the consequences of late payment. Transactions with consumers, however, do not fall within the scope of this Directive. Directive 2011/7/EU entitles a seller who does not receive payment for goods and/or services within 30 days of the payment deadline to collect interest (at a rate of eight percent above the European Central Bank rate) as well as 40 Euro as compensation for recovery of costs. For business-to-business transactions a 60-day period may be negotiated subject to conditions. The seller may also retain the title to goods until payment is completed and may claim full compensation for all recovery costs.

Companies' agents and distributors can take advantage of the [European Ombudsman](#) when victim of inefficient management by an EU institution or body. Complaints can be made to the European Ombudsman only by businesses and other bodies with registered offices in the EU. The Ombudsman can act upon these complaints by investigating cases in which EU institutions fail to act in accordance with the law, fail to respect the principles of good administration, or violate fundamental rights. In addition, [SOLVIT](#), a network of national centers, offers online assistance to citizens and businesses who encounter problems with transactions within the borders of the single market.

Establishing an Office

Establishing an office in Europe, whether a subsidiary or a new business, requires knowledge of the relevant national legislations in the country of interest.

While there are a number of EU level policies in effect, many key areas such as taxation are still largely a member state prerogative.

The European Commission manages the [Your Europe](#) website where investors can find useful information on various topics ranging from taxation and customs to employment contracts.

The type of business entity that U.S. companies choose to establish is often determined by the scope of activities the company plans to undertake in Poland. If a U.S. company wants to sell its products and services in Poland exclusively through its own office, it usually establishes a representative office. If a U.S. company will invest in Poland, there are different legal forms available to carry out business activity. Investors can choose the most suitable one from the following options for their business presence in Poland:

- (1) [Limited Partnership](#)
- (2) [Limited Joint-Stock Partnership](#)
- (3) [Limited Liability Companies](#) (Sp. z o.o.)
- (4) [Joint Stock Companies](#) (S.A.)
- (5) [Representative Office](#)
- (6) [Branch Office](#)

Detailed information on forms of doing business in Poland can be found at the web-site of the [Polish Investment and Trade Agency](#).

Modern office equipment like computers and office amenities are easily available and can be leased from a variety of reputable Polish and Western firms. The white-collar labor pool is abundant and English-speaking

assistants with good office skills are relatively easy to find as are employees with Western management and accounting experience. Many executive search firms operate in Poland and aid in finding appropriate staff.

Franchising

Polish franchise market is considered mature, yet continually growing. Local entrepreneurs are aware of the plethora of potential choices that enables them to make discerning decisions regarding future franchise opportunities. According to the private franchising consulting company PROFIT System, in 2019 the Polish franchising sector encompassed 1,310 independent franchise networks, and 83,000 franchisees operating in Poland. Franchising is one of the fastest growing options for small, private firms.

Average investment in a franchise in 2019 amounted to USD 40,000. Most of those franchises - 85% - originated in Poland. The largest franchising sector with over 204 brands, is gastronomy. Leading brands include KFC, Starbucks, Pizza Hut, Subway and McDonald's. In addition, consulting/business services that are in Poland include Signarama, Mail Boxes Etc., and RE/MAX, Keller Williams, Circle K, and Orangetheory Fitness. Educational concepts becoming more popular.

One of the fastest growing trends is online sales, especially in the food and retail sectors. For example, in Poland it is now becoming popular to order food or groceries online for delivery or pick-up. Grubhub and Uber Eats is operating in Poland. Local meal kit services akin to Blue Apron are also very popular in Poland.

Strong competition and an increasing number of franchise systems have strengthened the position of potential franchisees. Successful franchisors offer franchisees programs for customer service (CRM), product training, merchandising, etc., and often contribute to recruitment campaigns and investment cost-sharing.

American franchisors should be willing to raise brand awareness by committing sufficient resources to advertising and marketing, this is especially true for brands without global recognition. U.S. franchisors should be prepared to modify their product mix or implement other changes in their marketing policy to compete and meet the demands of Polish consumers. Franchise networks successful in the United States will not automatically succeed in Poland. However, well-known U.S. franchises operating in the U.S. or Europe have a strong advantage.

U.S. franchisors often have difficulty locating local investors willing to provide sufficient capital to develop a Polish franchise. To overcome this challenge, firms often create a master franchise that can attract foreign and domestic investors. This practice is especially prevalent in the gastronomy sector.

Poland has no special legal requirements for franchises. The Polish Civil Code regulates franchise agreements. Franchisors should take steps to protect their intellectual property in accordance with Polish and European Union regulations. As in most markets, trademark registration is limited to protecting only trademarks registered in Poland. Registration at the European Union level protects trademarks in Poland and all member states. Sub-franchising is permitted without restrictions and Poland and the U.S. have signed a double taxation avoidance agreement. The franchise fee is subject to a 23% value-added tax (VAT) and 19% corporate income tax (CIT) on the difference between franchising income and tax-deductible expenses.

U.S. businesses looking to franchise within the European Union will likely find the market is generally quite robust and welcoming to franchise concepts. There are several laws that govern the operation of franchises within the EU, but such laws are broad and generally do not constrain the competitive position of U.S. businesses. The potential franchisor should review the applicable EU regulations at the web-site of the [European Franchise Federation](#), as well as local laws in Poland governed by the [Polish Franchise Organization \(POF\)](#).

The [Polish Franchise Expo](#), held annually in Warsaw, is the largest franchising trade show in Central and Eastern Europe. Over 200 exhibitors and 7,000 visitors attended the show in 2019. This year's Franchise Expo will be held October 15-17, 2020.

Direct Marketing

Direct marketing (DM) is an accepted business practice in Poland, as it is in other EU countries. Polish consumers are accustomed to purchasing via catalog as well to shopping on Internet platforms. More than 70% of Polish enterprises use direct marketing to sell their products and services. The most frequently used DM formats are e-mail and internet marketing, telemarketing, direct sales, mailing sales (products available in catalogs and internet), TV marketing, and inserts in publications with a response element. Local companies care about proper profiling, audience targeting, and know that a well-prepared email campaign will achieve a high conversion rate. Communicating with consumers through a social media (e.g. Instagram, Facebook, Twitter) is also widely used.

In general, Polish law is compatible with legal regulations applied to DM activities throughout the EU. Direct Sales are governed by the Consumer Rights Act of 30 May 2014 (as amended) on Consumer Rights. Polish protection of personal data is rigorous, although recent interpretations in court have been less strict. A Good source of information is the Office of Competition and Consumer Protection.

The SMB Polish Marketing Association, established in 1995, and PSSB- Polish Direct Marketing Association, established in 1989, are both involved in introducing regulations and principles for DM in Poland. SMB promotes development of direct marketing per existing law and professional ethics.

There is a wide range of EU legislation that impact consumers. Companies need to focus on the clarity and completeness of the information they provide to consumers prior to purchase and on their approaches to collecting and using customer data. The following gives a brief overview of the most important provisions flowing from EU-wide rules on distance-selling and on-line commerce.

Direct Marketing over the Internet

[The e-commerce Directive](#) imposes certain specific requirements connected to the direct marketing business. Promotional offers must not mislead customers and the terms that must be met to qualify for them should be easily accessible and clear. The Directive stipulates that marketing e-mails must be identified as such to the recipient and requires that companies targeting customers on-line must regularly consult national opt-out registers where they exist. When an order is placed, the service provider must acknowledge receipt quickly and by electronic means, although the Directive does not attribute any legal effect to the placing of an order or its acknowledgment. This is a matter for national law. Vendors of electronically supplied services (such as software, which the EU considers a service and not a good) must also collect value added tax (see Electronic Commerce section below).

Key Link: [Direct Marketing over the Internet](#)

Local Associations in Poland

[Polish Marketing Association](#)

[Polish Direct Marketing Association](#)

[SELDIA – The European Direct Selling Association](#)

[FEDMA- European Direct Marketing Association](#)

Joint Ventures/Licensing

Joint ventures are a common form of business in Poland. Many U.S. businesses in Poland have established joint ventures with Polish partner companies. Joint ventures are an excellent way to facilitate export sales to the Polish market.

Most joint ventures are established with the American partner contributing needed capital and technology. The Polish partner typically contributes land, distribution channels, trained workers, access to the Polish market and introductions within the local government and business community. Having a Polish partner who is familiar with the industry and culture gives American firms a competitive edge they may not have on their own. American firms participating in joint ventures are often asked to provide marketing, training, and promotional support for their Polish partners.

Licensing products, technology, technical data, and services has been less common in Poland, due to concerns about to protect intellectual property rights and copyrights. Still we suggest U.S. businesses be cautious when licensing their products in Poland, particularly since we expect the number of U.S. firms opting to license their products in Poland to increase, especially in the industrial manufacturing and consumer goods sectors.

Express Delivery

All major express delivery companies are active in Poland. DHL, UPS & FedEx offer their services, both for inbound and outbound shipments. Reliable domestic express delivery firms include DPD Poland and GLS. Be sure to check their service coverage and declared guaranteed delivery time prior to enlisting their service.

Due Diligence

Product safety testing and certification is mandatory for the EU market. U.S. manufacturers and sellers of goods have to perform due diligence in accordance with mandatory EU legislation prior to exporting.

The U.S. Commercial Service in Warsaw can provide U.S. companies with affordable, fast background checks on Polish business organizations through our International Company Profile Service. For more information on this service, please click on the following link visit or e-mail the [U.S. Commercial Service in Warsaw](#) at office.warsaw@trade.gov, or call us at +48 22 625-4374.

Product safety testing and certification is mandatory for the EU market. U.S. manufacturers and sellers of goods should perform due diligence in accordance with mandatory EU legislation prior to exporting.

eCommerce

Overview

The e-commerce market in Poland, which was already developing fast in the past, has exceptionally benefitted from the COVID-19 situation. In 2019, e-commerce experienced a 16% increase over the previous year and Poland was ranked 13th among the fastest developing e-commerce markets in the world. In 2019, the value of the market was estimated at \$18 billion and now it is expected to reach \$25.6 billion in 2020. The on-line food order market is expected to grow from \$460 million in 2020 to \$1.8 billion in 2025.

E-commerce growth is driven by the easy and affordable access to the internet through multiple tools, comfortable online purchasing platforms, and customer-friendly regulations. The pandemic situation stimulates buyers interest which in turn accelerates development of new e-commerce initiatives.

Poland is ranked 23rd out of 28 EU countries in the 2020 European Digital Economy & Society Index (DESI), which takes into account communication, human resources, use of internet, integration of digital technologies and digital public services. In communication Poland has improved its ranking to 15th, from 20th position in 2019. Poland is above EU average in the the use of fixed broadband connections with a speed of at least 100

Mb/s, it covered 28% of households, with the EU average of 26%. In addition, the coverage of fixed networks with very high data rates in Poland was 60 percent of households, with the EU average of 44 percent.

Assessment of Current Buyer Behavior in Market

The main drivers for on-line shopping remain unchanged: 24/7 access, convenient payment and delivery conditions, including return conditions, and usually lower prices when compared to brick-and-mortar shops. On-line shops benefit from the ban on retail shopping which has been gradually introduced since 2018. There are only seven trading Sundays in 2020 and since 2021 shops will be closed on all Sundays.

At the end of 2019, the internet penetration rate in Poland amounted to 84.9%. During the March-May lockdown, the use of internet was well above the EU average and the traffic still is at a 30% higher level than in the pre-COVID times.

At the end of 2019, there were 28.2 million internet users, 73% of them shopping on-line. For shopping, more than half of buyers use multichannel access: laptops (80%), smartphones (69%) or PCs (50%). Over 70% of buyers use price-comparison services. The most active group of buyers live in large cities or villages and are 29-49 years old.

Majority of on-line shopping is still done locally. The cross-border on-line shopping currently accounts to 30% of all transactions and continues to grow, thanks to customer-friendly regulations and decreasing delivery cost. The most popular products bought abroad include clothing, sport clothing, jewellery and smartphones.

During the last 12 months, the most popular categories of products purchased on-line were clothing and accessories, shoes, cosmetics/perfumes, books, audio/video products and tickets for events, with the last category's sales almost non-existent during the lockdown.

On-line grocery sales is the fastest growing segment of the e-commerce market, which literally exploded in the last few months. In three months, the number of households buying FMCG products grew from 15 to 24%.

Research online-purchase offline (ROPO) effect is seen in case of food products, building materials, furniture, electronic equipment and home appliances. The reverse ROPO concerns mainly perfumes, cosmetics, telephones, shoes, clothing and also electronics.

Buyers' delivery preferences, which in 2019 were pick-up from parcel lockers (61%) and courier services (55%), have shifted in the pandemic times, with door-to-door courier services becoming the preferred option. In addition to outdoor parcel lockers, e-commerce platforms often offer pick-up parcels at shops and outlets belonging to retail chains.

The number of on-line payments keeps increasing every year and currently amounts to 70%, preferably a fast transfer through a payment service (PayU holds 50% market share in this category), by credit cards or mobile BLIK payments.

Local eCommerce Sales Rules & Regulations

There are no barriers to conducting electronic commerce activities in Poland but American companies should consider the strict requirements of personal data protection regulations and tax issues.

Polish regulations are based on the EU [e-Commerce Directive](#) and match those of other European Union countries, including the recently revised rules on Payment Services, new rules on cross-border parcel delivery services and unjustified geo-blocking as well as revised consumer protection rules. New VAT rules for online sales of goods and services are to enter into force in 2021.

Polish government was preparing its own regulations on digital service tax (DST) but put this plan on hold, hoping for reaching an agreement at the EU level. Should this does not happen by the end of 2020, Poland is likely to proceed with implementing the DST independently.

Polish government has drafted a new complex law on electronic communications, which will regulate all issues related EU directives and will replace the current Telecommunications Law. Public consultations are open until end of August and the government plans to have the law in place by the end of 2020.

The European Commissions currently conducts consultations on the Digital Services Act (DSA) package, on topics related to the environment of digital services and online platforms. The DSA is expected to provide procedure for dealing with illegal content ,a framework for transparency as well as some rules that would allow smaller platforms in the EU to scale up. The consultations were launched on June 2, 2020, after three months delay due to COVID-19, and will last until September 8, 2020. For more information: [Digital Single Market](#)

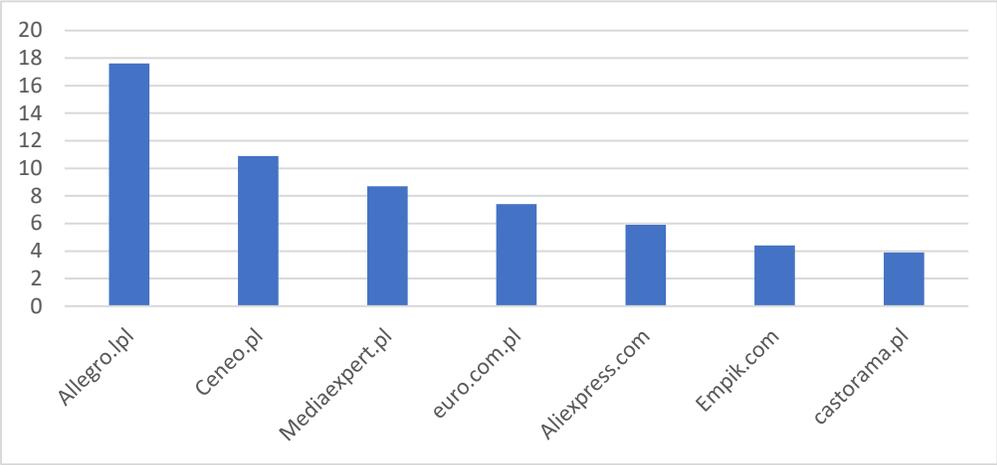
Local eCommerce Business Service Provider Ecosystem

There are over 30 k registered on-line stores in Poland. Majority of them are Polish-owned and have been operating for over 10 years. Most retail chains also maintain on-line sales. The trend to establish e-commerce presence, which started a couple of years ago, has rapidly accelerated in the pandemic times. Before COVID, only 5% of small companies had end-to-end on-line operations and 46% of them had limited on-line presence. At present, half of them have already switched to on-line operations or are planning to do so in the near future.

There are also some mergers, such as a recent purchase of Fisco.pl, one of the largests and longest oprating on-line supermarkets, by Eurocash, the leading FMCG wholesale distribution in Poland. Earlier this year, advertising portal Ringier Axel Springer took over a Polish advertising portal gratka.pl.

The key e-commerce player in Poland is Allegro.pl, which has over 40% market share. Initially established as an auction platform, over the last few years Allegro group has expanded over time, currently owns also price comparison ceneo.pl service as well as tickets service eBilet.pl. On its platform, Allegro offers also its own retail lines as well as hosts a variety of business sellers. In 2019, Allegro had over \$600 million income, 31% growth over the previous year. The company is getting ready to enter the Warsaw Stock Exchange this autumn. Amazon in Poland focuses on developing its logistics centers and their Polish operations in Poland, e-commerce presence is somewhat limited as the Polish-language website is based on their German platform.

Leading e-commerce sites in Poland, by number of users
(in millions)



Source: statista.com

In general, e-commerce platforms in Poland are eager to work with foreign suppliers and sell their products online. Nevertheless, many limit their suppliers to European sources. They have little experience in dealing with suppliers from the United States and provide limited logistical support, if any.

Approximately 30% of e-commerce companies outsource logistic part of their operations. In addition to large international logistic companies, there are many local specialized service providers serving e-commerce market, including consulting, logistics, digital marketing and other e-commerce-related services. A list of business service providers is available on request.

E-commerce is a main contributor to the rapid growth of logistics operations, accounting for over 60% of the warehouse space used by retail chains and logistics operators. Poland is a hub for several e-commerce operations serving also Western European countries, including Amazon and Zalando.

Ads on Google and Facebook account for over 60% of direct marketing expenses. While 62% of e-shops pay search engines for promotion, over 50% of them place paid ads in social media. Over 90% of e-shops, including all large platforms, communication with clients on social media, especially Facebook.

Useful contacts in Poland:

[Ministry of Digital Affairs](#)

[Ministry of Development, Department of Electronic Economy](#)

[Chamber of Electronic Economy](#)

Local events in Poland: [InternetStandard](#), [eTrade Show](#), [E-Commerce Fair](#)

For updated information on events, please check events' websites or contact maria.kowalska@trade.gov.

Selling Factors & Techniques

Overview

As stated previously, the Polish market is in most cases regional and this description applies to selling as well. Because unemployment is lower and the average income is higher in Polish cities, urban dwellers generally have more purchasing power than inhabitants of rural areas. The countryside is dotted with single - factory towns, many of which currently suffer from higher unemployment rates.

Websites and e-mails are effective tools to introduce a product or service to a Polish company. Communication in Polish is recommended if the seller would like to receive a speedy reply.

U.S. companies should ensure that translations from English into Polish are performed only by proficient translators who are fluent in modern business Polish and grammar.

An average Polish customer no longer requires face-to-face contact with a person selling a product. The role of the internet in securing business contacts is growing and can now be considered a valuable selling tool.

Over 85% of Polish homes have internet access, 62% of them buy on-line. The number of banking customers who actively use internet banking services reached 96%.

American companies that are little known outside the U.S. may need to make a significant effort (often marketing, training, or other promotional activities) to convince the prospective Polish customer of their credibility. Product demonstrations are effective, as Poles tend to be skeptical about claims until they are proven. Sponsored visits to the U.S. company headquarter or manufacturing plant frequently help to convince Polish buyers to purchase a U.S. product.

The decision-making process, especially in large companies or government agencies, can be slow, as every person or section involved in a decision usually must sign off before a decision is made. It may take several meetings and many rounds of negotiations before a deal is closed. This means that success in Poland could be

difficult without an in-country presence, whether that presence is an agent, distributor, or representative office.

Polish customers will want to discuss the technical parameters of the product, explain their needs, and negotiate the price. In addition, the product may not be sold at the first meeting, as the customer will want some time to consider the points discussed and to arrange financing. Initial orders are frequently small due to Poles access to limited amounts of working capital and high interest rates on credit. Follow-on sales often grow rapidly once product effectiveness and profitability are established.

Many Polish firms complain that access to capital is a problem. This is a particularly acute problem for small and medium size businesses. Most Polish firms are too small to consider going public or to issue commercial paper so business activities, including payment for imports, are usually self-financed. American companies that can arrange for affordable financing for their Polish customers will have an edge over their competitors. The U.S. Export-Import Bank (Ex-Im Bank) offers a credit insurance program that can help small and medium sized U.S. firms in this regard.

Doing business in Poland is built upon personal relationships and trust. U.S. companies have an advantage in Poland, as the United States, its people and products, are generally held in high regard

Trade Promotion and Advertising

General Legislation

Laws against misleading advertisements differ widely from member state to member state within the EU. To respond to this issue in the internal market, the Commission adopted a directive, in force since October 1986, to establish minimum and objective criteria regarding truth in advertising. The Directive was amended in October 1997 to include comparative advertising. Under the Directive, misleading advertising is defined as any "advertising which in any way, including its presentation, deceives or is likely to deceive the persons to whom it is addressed or whom it reaches and which, by reason of its deceptive nature, is likely to affect their economic behavior or which for those reasons, injures or is likely to injure a competitor." Member States can authorize even more extensive protection under their national laws.

Comparative advertising, subject to certain conditions, is defined as "advertising which explicitly or by implication identifies a competitor or goods or services of a competitor." Member States can, and in some cases have, restricted misleading or comparative advertising.

The EU's Audiovisual Media Services Directive (AVMS) lays down legislation on broadcasting activities allowed within the EU. Since 2009, the rules allowing for U.S.-style product placement on television with exceptions. The AVMS was revised recently to extend the scope of the Directive to video-sharing platforms and social media in some circumstances Children's programming is subject to a code of conduct that includes a limit on junk food advertising to children, but organizations subject to the AVMS Directive are encouraged to do more to protect children. Following the adoption of the 1999 Council Directive on the Sale of Consumer Goods and Associated Guarantees, product specifications, as laid down in advertising, are considered as legally binding on the seller.

The EU adopted Directive 2005/29/EC concerning fair business practices in a further attempt to tighten consumer protection rules. These rules outlaw several aggressive or deceptive marketing practices such as pyramid schemes, "liquidation sales" when a shop is not closing down, and artificially high prices as the basis for discounts in addition to other potentially misleading advertising practices. Certain rules on advertising to children are also set out.

Key Links:

[Audiovisual Media Services Directive](#)

[Misleading Advertising](#)

[Unfair Commercial Practices Directive](#)

Medicines

The advertising of medicinal products for human use is regulated by Council Directive 2001/83/EC, as amended by Directive 2004/27/EC. The advertising of medicinal products is forbidden if market authorization has not yet been granted or if the product in question is a prescription drug. Mentioning therapeutic indications where self-medication is not suitable is not permitted, nor is the distribution of free samples to the general public. The text of the advertisement should be compatible with the characteristics listed on the product label and should encourage rational use of the product. The advertising of medicinal products destined for professionals should contain essential characteristics of the product as well as its classification. Inducements to prescribe or supply a medicinal product are prohibited, and the supply of free samples is restricted.

Key Link: [Health and Medicine](#)

Nutrition & Health Claims

On July 1, 2007, a regulation on nutrition and health claims entered into force. Regulation 1924/2006 sets EU-wide conditions for the use of nutrition claims such as “low fat” or “high in vitamin C” and health claims such as “helps lower cholesterol.” The regulation applies to any food or drink product produced for human consumption that is marketed in the EU. Only foods that fit a certain nutrient profile (below certain salt, sugar and/or fat levels) can carry claims. Nutrition and health claims are only allowed on food labels if they are included in one of the EU’s positive lists. Food products carrying claims must comply with the provisions of nutritional labeling Directive 90/496/EC and its amended version Directive 1169/2011.

In December 2012, a list of approved functional health claims went into effect. The list includes generic claims for substances other than botanicals which will be evaluated at a later date. Disease risk reduction claims and claims referring to the health and development of children require an authorization on a case-by-case basis, following the submission of a scientific dossier to the European Food Safety Authority (EFSA). Health claims based on new scientific data will have to be submitted to EFSA for evaluation, but a more simplified authorization procedure has been established.

Nutrition claims, in place since 2006, can fail one criterion, i.e. if only one nutrient (salt, sugar or fat) exceeds the limit of the profile, a claim can still be made provided the high level of that particular nutrient is clearly marked on the label. For example, a yogurt can make a low-fat claim even if it has high sugar content but only if the label clearly states, “high sugar content.” A European Union Register of nutrition claims has been established and is updated regularly. Health claims cannot fail any criteria.

In May 2020, as part of the EU Green Deal, the Commission announced that it would set nutrient profiles to restrict promotion of food high in salt, sugars and/or fat as required by Regulation 1924/2006 before the end of 2022. Currently, the implementation of Regulation 1924/2006 on nutrition and health claims made on foods remains incomplete since the Commission did not establish nutrient profiles that had to be set by January 2009. In that context, nutrient profiles are thresholds of nutrients such as fat, sugars and salt above which nutrition and health claims are restricted or prohibited. This proposal builds on the results of the EU’s regulatory fitness and performance program (REFIT) [evaluation](#) of the EU legislation on nutrition and health claims launched in 2015.

Detailed information on the EU’s Nutrition and Health Claims policy can be found on the USEU/FAS website at [USEU/FAS website](#) and in the [USDA Food and Agricultural Import Regulations and Standards EU 28 2020](#).

Key Link: [EU Register of Nutrition and Health Claims](#)

Food Information to Consumers

Currently, the Food Information to Consumers (FIC) Regulation is the main EU labeling legislation. More information can be found in the [USDA Food and Agricultural Import Regulations and Standards EU 28 2020](#).

In 2015, the EU adopted a new regulation on novel foods ([2015/2283](#)) amending the provision of food information to consumers ([1169/2011](#)). Novel foods and food ingredients must not present a danger for the consumer or mislead him and should not differ from the ingredients that they are intended to replace to such an extent that normal consumption would represent a nutritional disadvantage for the consumer. It is important to mention that the European Commission may decide, on its own initiative or upon a request by a Member State, by means of implementing acts (a sort of decree), whether or not a particular food falls within the definition of novel food. More information can be found on the Commission's website. Most provisions of this new Novel Foods Regulation become applicable on January 1, 2018. More information can be found

The Common Organization of the Markets establishes the specific information that must accompany fishery and aquaculture products sold to consumers and mass caterers. These requirements compliment the general EU rules on the provision of food information to consumers and contribute to more transparency on the market as they enable consumers to make informed choices on the products they buy. The new rules have become applicable since December 13, 2014. The Commission has published a [pocket guide](#) to the EU's new fish and aquaculture consumer labels.

Detailed information on the EU's new food labeling rules can be found on the USEU/FAS website at [EU Labelling Requirements](#) and in the [USDA Food and Agricultural Import Regulations and Standards EU 28 2020](#).

Key Links:

[Provision on Food Information](#)

[U.S. FDA Food](#)

Food Supplements

[Directive 2002/46/EC](#) harmonizes the rules on labeling of food supplements and introduces specific rules on vitamins and minerals in food supplements. Ingredients other than vitamins and minerals are still regulated by Member States.

Regulation 1925/2006, applicable as of July 1, 2007, harmonizes rules on the addition of vitamins and minerals to foods. The regulation lists the vitamins and minerals that may be added to foods. This list was most recently revised in 2014. A positive list of substances other than vitamins and minerals has not been established yet, although it is being developed. Until then, member state laws will govern the use of these substances.

Key Link: [Labelling Nutrition Supplements](#)

Tobacco

The EU Tobacco Advertising Directive bans tobacco advertising in printed media, radio, and internet as well as the sponsorship of cross-border events or activities. Advertising in cinemas and on billboards or merchandising is allowed, though these are banned in many Member States. Tobacco advertising on television has been banned in the EU since the early 1990s and is governed by the Audiovisual Media Services Directive. A 2016 revision to the legislation includes the requirement for bigger, double-sided health pictorial warnings on cigarette packages and possibility for plain packaging along with health warnings, tracking systems.

Key Link: [Tobacco Products](#)

Local Market Specifics

Trade fair activities in Poland grew rapidly at the beginning of the last decade, from a single major event (the annual June Poznan International Fair) to a full year's schedule of industry and product specific events in major cities around the country. For information on upcoming trade events please see the information on trade fairs and events in Leading Sectors for U.S. Exports and Investments. Some fairs are still proving their worth, while others have lost popularity in recent years and are no longer attracting key Polish and international businesses. Direct U.S. company presence at trade fairs in Poland is minimal, but some U.S. firms exhibit through their European or Polish distributors. U.S. firms exhibiting in larger Western European trade fairs, particularly those in the Commercial Service's Showcase Europe program, will encounter Polish buyers at those events. The U.S. Commercial Service in Warsaw can help you find distributors interested in representing U.S. products at Polish fairs.

Advertising in Poland is considered important, not only in the consumer product field, but also in developing a company image for all types of goods. Television, which reaches virtually every home in Poland via local channels or satellite, is believed to be the most effective advertising medium in Poland. Products advertised through television commercials show the greatest sales growth among all advertised products. The bulk of advertising revenues go to television. The price of television spots on top rated shows has grown dramatically in the last few years as demand has soared. Radio is another means of advertising with 261 local radio stations as well as 6 national networks in operation: Polskie Radio SA Program 1, Polskie Radio SA Program 2, Polskie Radio SA Program 3, Polskie Radio SA Program 4, RMF FM, Radio ZET and TOKFM.

There is a ban on cigarette and alcohol (including beer and wine) advertising for broadcasters and on alcohol ads for display and print media. There is also a ban on pharmaceutical advertising, except for over the counter (OTC) drugs and in professional publications.

Print media advertising is sophisticated and the print media market itself has grown to include a full range of publications. Major newspapers circulate throughout Poland and reach every corner of the country. In addition, special interest magazines, business journals, niche publications, and specialized newspapers have proliferated. Newsweek Polska, a division of Newsweek, celebrates its 19th anniversary this year (launched in 2001) and the Polish edition of Forbes magazine, which was launched in January 2005, celebrates its 15th anniversary this year. Classified advertising is very well developed and effective. Most U.S. companies find print media to be a highly effective means of reaching customers and candidates for jobs.

Major daily newspapers include Rzeczpospolita, Gazeta Wyborcza, Nasz Dziennik, and two tabloids: Fakt and Super Express.

Major daily business journals include Dziennik Gazeta Prawna, Parkiet Gazeta Gieldy, Puls Biznesu, and Financial Times.

The Polish edition of BusinessWeek is published on a biweekly basis. There are also two English language weeklies that cater mainly to foreigners in Poland, the Warsaw Business Journal and the Warsaw Voice.

Major international, as well as local, advertising and public relations agencies abound in Poland. For contact information on these journals and firms please contact the U.S. Commercial Service in Warsaw at Office.Warsaw@trade.gov, at telephone number (48) 22 625-4374.

Pricing

The importance of pricing in Poland cannot be overstated. Pricing is the key to successfully selling U.S. products and services in Poland. Working capital is limited in Poland, even among the larger, more successful Polish companies. Polish businesses generally spend money wisely, after thoughtful and sometimes lengthy consideration. The most commonly expressed reason for failed sales efforts per potential Polish clients

continues to be that “the price is too high”. The risks surrounding exchange rate fluctuations can make pricing difficult. Typically, U.S. manufactured goods are compared to similar European-made goods and the lowest cost item wins the day.

Establishing the price of U.S. made products is further complicated by the addition of customs duties, Value Added Tax (VAT), and, in some cases, excise taxes, which may dramatically elevate the final retail price of a product. Flexibility in pricing is important and initial market penetration to gain product awareness among Polish consumers should be the goal. Successful U.S. exporters work together with their Polish representatives to keep costs, particularly import costs, as low as possible. For example, some companies ship products unassembled to help reduce import duties. Poland’s accession to the EU has given the price advantage to European producers. U.S. made goods are burdened with customs duties that products imported from other EU countries do not. To level the playing field, some American businesses have opened distribution and/or manufacturing facilities in Europe.

The Polish market is large and expanding for all types of products, but is also increasingly competitive. U.S. companies that approach the market with a long-term view to creating market share for their products will reap the rewards.

Sales Service/Customer Support

After price, service is the second greatest concern for Polish customers. Polish distributors and customers see U.S. manufacturers as far removed from the products they export to Poland. Potential customers may shy away from U.S. products over concerns that distance will lead to ineffective service if the product requires repair or maintenance.

Polish customers may walk away rather than purchase a products if they are required to ship it back to the United States for repair or service – even if the U.S. company pays for the shipment. Sending spare parts to Poland is easy to do. Some firms provide local service through European representatives or firms licensed to repair their products. Even then, some distributors worry that they may not get adequate support.

Ideally, customer service and support should be provided through a trained Polish representative or a U.S. affiliate company. Local technical support teams should be considered a part of the U.S. company’s image in the Polish market. Effective, fast, and reliable service contributes greatly to the U.S. manufacturer’s success in Poland. The opposite can also be said about service. Therefore, U.S. manufacturers should be ready to provide full assistance to their service personnel in Poland.

U.S manufacturers with major export accounts in Poland may wish to periodically send a service representative to Poland to work with the local representative and visit customers.

Conscious of the discrepancies among member states in product labelling, language use, legal guarantee and liability, the redress of which inevitably frustrates consumers in cross-border shopping, EU institutions have launched several initiatives aimed at harmonizing national legislation. Suppliers within and outside the EU should be aware of existing and upcoming legislation affecting sales, service and customer support.

Product Liability

Under the 1985 Directive on [Liability of Defective Products](#), amended in 1999, the producer is liable for damage caused by a defect in his product. The victim must prove the existence of the defect and a causal link between defect and injury (bodily as well as material). A reduction of liability of the manufacturer is granted in cases of negligence on the part of the victim.

Product Safety

The 1992 General [Product Safety Directive](#) introduced a general safety requirement at the EU level to ensure that manufacturers only place safe products on the market. It was revised in 2001 to include an obligation on

the producer and distributor to notify the Commission in case of a problem with a given product, provisions for its recall, the creation of a European Product Safety Network, and a ban on exports of products to third countries that are not deemed safe in the EU. The legislation is still undergoing review.

Legal Warranties and After-sales Service

Under the 1999 Directive on the [Sale of Consumer Goods and Associated Guarantees](#), revised in 2011, professional sellers are required to provide a minimum two-year warranty on all consumer goods sold to consumers (natural persons acting for purposes outside their trade, businesses or professions), as defined by the Directive. The remedies available to consumers in case of non-compliance are:

- Repair of the good(s);
- Replacement of the good(s);
- A price reduction; or Rescission of the sales contract.

Other issues pertaining to consumers' rights and protection, such as the New Approach Directives, CE marking, quality control and data protection are dealt with in the Customs, Regulations and Standards section of this report.

Local Professional Services

The legal environment in Poland continues to evolve at a rapid pace and this is expected to continue. In general, law firms in Poland follow changes closely and most of them provide business counseling in addition to legal advice. Some firms are also experienced in helping their contacts find Polish business partners, investments or projects to pursue.

American companies doing business in Poland are urged to obtain legal representation. This is particularly essential when bidding in a public tender, forming a joint venture, untangling a trade dispute establishing a representative office or incorporating a business in Poland.

A U.S. exporter new to the Polish market may not initially need specialized legal, accounting, or consulting advice as it pursues potential partners. It can, however, take comfort in knowing that expert advice is abundant and available in Poland, through the offices of U.S. and Polish law and consulting firms, when problems arise.

Information on professional service providers in Poland is available upon request. Please send the request to office.warsaw@trade.gov.

Principal Business Associations

[American Chamber of Commerce](#) in Poland

Spektrum Tower, 16th Floor

ul. Twarda 18

00-105 Warszawa

Tel. +48 22 520 5999

Fax +48 22 520 5998

e-mail: office@amcham.pl

The American Chamber of Commerce in Poland is the leading voice for international investors in Poland. It is composed of over 300 companies representing a wide range of sectors, and has significant American presence, including 80 of the 500 Fortune companies. Members share the will to build connections and develop the business market in Poland. AmCham is an independent, non-profit business association, and is supported fully by its membership dues and sponsorship agreements. The organization is an accredited affiliate of the US Chamber of Commerce in Washington D.C. and AmCham's in Europe network.

[Confederation Lewiatan](#)

ul. Zbyszka Cybulskiego 3

00-727 Warszawa

tel. +48 22 55 99 900

Fax +48 22 55 99 910

e-mail: recepcja@konfederacjalewiatan.pl

Lewiatan is the most influential Polish business association representing interests of Polish businesses in Poland and the European Union. Lewiatan gathers around 4,100 companies that employ over 1 million people. Confederation Lewiatan is a member of the Social Dialog Council created by the Polish government and has a direct influence on government and legislative actions in Poland. Lewiatan has a representative office in Brussels and is a member of BusinessEurope – the leading European business organization representing interests of entrepreneurs and businesses in EU. Many U.S. companies that are present in the Polish market are members of Lewiatan.

[Business Center Club](#)

Plac Zelaznej Bramy 10

00-136 Warszawa

tel. +48 22 625 30 37, 582 1001

fax +48 22 621 84 20

e-mail: biuro@bcc.org.pl

Business Center Club (BBC) is a prestigious business club and the largest individual entrepreneur organization in Poland. BCC gathers more than 2,000 members (individual entrepreneurs and companies) representing various industries jointly controlling USD 30 billion in capital and employing 400,000 people. BCC also affiliates lawyers, journalists, scientists, publishers, physicians, members of the military and students. BCC concentrates on lobbying activities aimed at furthering the growth of the Polish economy. All to-date Polish Presidents, Prime Ministers and Ministers have consulted with BCC members. BCC is an international organization with ties to institutions in the EU, U.S., Russia and Canada. BCC membership is also held by more than 100 foreign firms.

[Polska Rada Biznesu](#)

(Polish Business Roundtable)

Palac Sobanskich

Al. Ujazdowskie 13

00-567 Warszawa

tel. +48 22 102 66 11

mobile: +48 532 003 335

fax: +48 22 523 66 14

e-mail: rada@prb.pl

Polska Rada Biznesu gathers large businesses and employers in Poland and represents them in dealings with government. The association is apolitical, and its members are CEOs of large Polish private enterprises or foreign firms operating in Poland. Polska Rada Biznesu is engaged in many programs promoting entrepreneurship, including organization of the annual Jan Wejchert prize for the best entrepreneur, the most prestigious business prize in Poland.

[Pracodawcy Rzeczypospolitej Polskiej](#)

(Employers of Poland)

ul. Brukselska 7

03-973 Warszawa

tel. +48 22 518 8700

fax +48 22 828 8438

e-mail: sekretariat@pracodawcyrp.pl

Employers of Poland is the oldest and the largest employers' organization in Poland. The organization has accompanied Poland's political and economic transformation since 1989, representing the interests of entrepreneurs of all industry sectors. The Confederation gathers 19,000 companies that employ over 5 million employees. An employer of Poland is a member of the Social Dialog Council and has influence on government legal actions. The association accepts companies registered in Poland as their members.

Polski Klub Biznesu

(Polish Business Club Association)

ul. Kompasowa 3/23

04-048 Warszawa

tel. +48 22 870 0705

fax +48 22 305 8029

e-mail: biuro@pkb.org.pl

The Polish Business Club is the oldest independent business organization in Poland gathering private entrepreneurs. The club's major role is to promote Polish entrepreneurship, businesses and people. The Polish Business Club is involved in increasing foreign investments in Poland and cooperation with Polonia. PBC is a member of the Club of Europe, and co-organizer of the Polonia World Economic Conferences. The association accepts U.S. company members.

Limitations on Selling US Products and Services

We are not aware of any limitations on manufacturing or service sectors that prohibit non-Poles from owning or selling these businesses in Poland.

Trade Financing

Methods of Payment

Import financing procedures in Poland take place under seller-buyer terms. Popular payment mechanisms include payment against documents and electronic funds transfers. The safest method of receiving payment for a U.S. export sale is through an irrevocable letter of credit (L/C). However, since most banks in Poland require the importer to deposit funds prior to issuance of a L/C, few buyers and sellers use this method due to its cost. The most popular payment mechanism is electronic funds transfer (SWIFT or wire transfers) as it is the fastest and cheapest way to transfer funds. Cash payment or down payments provide an extra measure of security for export sales. Leasing is a popular method of financing vehicles, heavy equipment, and other capital-intensive items. Both private and public insurance is available in Poland.

The following rating agencies maintain offices in Poland: EuroRating Sp. z o.o.; INC Rating Sp.z o.o.; Moody's Investors Service Limited, Polish Branch; Standard & Poor, Representative Office. The first two agencies appear on the [European Securities and Markets Authority \(ESMA\)](#) list of registered and certified credit rating agencies. Fitch Polska SA merged with Fitch Ratings Ireland on 31 May 2020. The company has a branch office in Warsaw.

There are dozens of collection agencies in Poland among them KRUK SA or BEST SA . The major ones are listed in the Warsaw Business Journal's Book of Lists.

Payment cards are commonly used with debit cards constituting the majority. Both ATMs and commercial entities accept popular credit cards (VISA, MasterCard, Diner's Club and American Express) and payment cards

(VISA Electron and Maestro). Poland is one of the strongest markets in Europe in mobile-payment technologies and leads in the number of contactless transactions. Some 90% of all cards issued in Poland are contactless enabled.

The enthusiastic adoption of online banking is playing a key role in the growth of Polish mobile commerce. Over two million citizens bank solely through their smartphone, disregarding other available channels. Domestic mobile payment system BLIK has been a Polish success story. The product was developed and is run by major Polish banks. It offers one-click purchasing, automated teller machine withdrawals and peer-to-peer payments via smartphone.

Poland has a successful home-grown instant payment clearing scheme, Express Elixir. It operates 24/7 and allows settling of transactions in near real time.

For more information about the methods of payment or other trade finance options, please read the Trade Finance Guide available at <https://www.trade.gov/trade-finance-guide-quick-reference-us-exporters>.

Banking Systems

Poland has a sound, non-discriminatory financial services infrastructure. The banking sector plays a dominant role in the financial system, accounting for around 70% of financial sector assets. The state owns several banks, but the sector is largely privately owned with private banks controlling approximately two thirds of the banking sector. The government launched a drive to increase local ownership of the banking sector through acquisitions of foreign-owned banks by state-owned banks, as a result foreign banks' share in total assets of the sector fell, from around 60 percent to below 50 percent. The country had 30 locally incorporated commercial banks in February 2020, according to the Financial Supervision Authority (KNF)—a decline from 50 over the past five years. There are many cooperative banks (over 500), but collectively they account for a relatively small share of the market. All three types of banks offer a wide range of services to their customers. Lenders from EU countries are permitted to form branches in Poland or provide cross-border services under single-market rules.

Poland's universal banking system provides deposits, loans, and securities trading services. State-owned bank BGK administers target funds (e.g., municipal development, road, housing, technology); is responsible for the payment of the majority of EU funds granted to Poland; provides special credit services, including homeowner mortgages and guarantees to export companies; and issues bonds for financing infrastructure (road) projects. BGK is also involved in the execution of the Responsible Development Strategy (Poland's conservative Law and Justice (PiS) government's long-term economic development plan approved in February 2016), which aims to boost industry, innovation and exports, and it is also designed to enable the country to escape the so-called middle-income trap, while creating opportunities for Poles to earn more money. [BGK](#) is an important part of the Development Fund created from several state agencies. BGK also supports SMEs with credit guarantees as part of the so-called de minimis aid program. BGK is also an important player in the Three Seas Initiative.

Popularity of online and mobile banking continues to grow, causing bank networks to shrink rapidly. The investment expenditure of banks on new technologies will likely further increase in 2020, among others, due to the entry into force of the PSD 2 (i.e., a directive changing the landscape of payment services) and the creation of the Polish API standard (a unified interface for access to bank accounts for third parties). The banks are also starting to monetize the electronic tools provided to their clients. All major Polish banks offer online services, from balance-cheque functions to cash transfers and deposits. Deposits and loans are available in the national currency, the Polish zloty (PLN) and foreign currencies. The Financial Supervision Commission (KNF) has restricted the availability of loans in euros and Swiss francs in order to minimize the banking system's exposure to the exchange risk resulting from exchange rate fluctuations. Only individuals who earn salaries denominated in foreign currencies (i.e. Euros, Swiss francs, U.S. dollars) continue to enjoy easy access to loans in foreign currencies. Tight controls on foreign currency lending seek to limit banks' and borrowers' exposure to a sharp

decline in the value of the PLN. Credit agreements require borrowers to provide data on their economic and financial standing. It is common practice when granting credit to require bank guarantees, drafts, or other forms of collateral.

Most Polish firms borrow from banks rather than issuing bonds or commercial paper, and demand for corporate loans has been increasing in recent years. Demand for corporate borrowing is expected to remain strong, first in the form of rescue loans and guarantees in the 2020 recession, and later as economic expansion returns to trend.

Overall, banks' profits rose by 12.2% in 2019, according to the KNF. Gross interest income rose by 9.3% in 2019, with loan impairments to the non-financial sector falling 2.7%. The sector holds adequate base capital: the KNF reports that Polish banks' capital-adequacy ratio fell to a still-strong 19.1% in December 2019, from 19.2% a year earlier.

KNF oversees banks as well as other financial market entities. If an investor intends to exceed a 10%, 20%, 33.3% or 50% threshold in a bank, insurance company, mutual fund or a brokerage house, the investor needs to notify KNF of its plans. KNF then has up to 60 days to object to the investor's acquisition plans if it believes that the acquiring company will not be able to guarantee stable management of the financial institution it seeks to acquire.

The Polish government has not yet decided whether it intends to join the European Union banking union as a non-euro zone member.

For more information on the banking sector see the Financial System Section of the Investment Climate Statement

Foreign Exchange Controls

The PLN is fully convertible and there are no foreign exchange controls affecting trade in goods. Companies operating in Poland have free access to foreign currency, and there have been no failures of the banking system to provide hard currency on demand. Polish law allows repatriation of profits, including through bonds and securities.

Under the terms of its EU Accession, Poland is required to adopt the Euro. However, the government has no fixed date for Euro adoption.

US Banks & Local Correspondent Banks

Major U.S. Banks

Citi Handlowy
Bank Handlowy w Warszawie
ul. Senatorska 16
00-923 Warszawa
Telephone: +48 22 657 7200
Fax +48 22 692 5023
E-mail: listybh@citi.com
Web site: <http://www.citihandlowy.pl/>

Bank BPH SA
ul. Pk. Jana Paubickiego 2
80-175 Gdańsk
Telephone: +48 58 300 7500
E-mail: kontaktBPH@ge.com
Web site: <http://www.bph.pl>

JP Morgan Europe Sp. z o.o.
Oddział w Polsce
ul. Emilii Plater 53 (WFC), 21st floor
00-113 Warszawa
Telephone: +48 22 441 9500
Fax +48 22 441 9502
Email: dorota.orzel@jpmorgan.com
Web site: <http://www.jpmorgan.com>

Goldman Sachs Poland Services
Warsaw Spire
Plac Europejski 1
00-844 Warszawa
Telephone: +48 22 449 2990
E-mail: llona.jeromin@gs.com
Web site: <http://www.goldmansachs.com/>

Major Local Correspondent Banks

PKO BP
ul. Pulawska 15
02-515 Warszawa
Telephone: +48 81 535-65-65
E-mail: informacje@pkobp.pl
Web site: <http://www.pkobp.pl/>

Bank Polska Kasa Opieki
Pekao S.A.
ul. Grzybowska 53/57
00-950 Warszawa
Telephone: +48 22 656 0000
Fax: +48 22 656 0004
E-mail: info@pekao.com.pl
Web site: <http://www.pekao.com.pl/>

Santander Bank Polska
Jana Pawla II 17
00-854 Warszawa
Telephone: +48225868005
e-mail: kontakt@bzwbk.pl

Web site: <http://www.bzwbk.pl>

mBank
ul.Senatorska18
00-950Warszawa
Telephone: + 48 22 829 00 00
E-mail: kontakt@mbank.pl
Web site: www.mbank.pl

ING Bank Śląski S.A.
ul. Sokolska 34
40-086 Katowice
Telephone: +48 32 357 0069
E-mail: mampytanie@ingbank.pl
Web site: <http://www.ing.pl/>

Protecting Intellectual Property

For general information on Protecting Your Intellectual Property, please follow this link: <https://www.stopfakes.gov/>

Several general principles are important for effective management of intellectual property (“IP”) rights in the EU. First, it is important to have an overall strategy to protect your IP. Second, IP may be protected differently in the EU than in the United States. Third, rights must be registered and enforced in the EU under local laws. For example, your U.S. trademark and patent registrations will not protect you in the EU. There is no such thing as an “international copyright” that will automatically protect an author’s writings throughout the entire world. Protection against unauthorized use in a particular country depends, basically, on the national laws of that country. However, Poland does offer copyright protection to foreign works in accordance with international agreements. Comprehensive information on the Polish law protecting intellectual property is available on the website of the [Polish Investment and Trade Agency](#).

Granting patents registrations in Poland is based on a first-to-file basis. Similarly, registering trademarks is based on a first-to-file, so you should consider how to obtain patent and trademark protection before introducing your products or services to the EU market. It is vital that companies understand that intellectual property is primarily a private right and that the U.S. government cannot enforce rights for private individuals in the EU. It is the responsibility of the rights holders to register, protect, and enforce their rights where relevant, retaining their own counsel and advisors. Companies may wish to seek advice from local attorneys or IP consultants who are experts in EU law. A list of Polish and European Patent Lawyers is available on the [website](#) of the Polish Patent Office.

While the U.S. government stands ready to assist, there is little we can do if the rights holders have not taken these fundamental steps necessary to securing and enforcing their IP in a timely fashion. Moreover, in many countries, rights holders who delay enforcing their rights on a mistaken belief that the U.S. government can provide a political resolution to a legal problem may find that their rights have been eroded or abrogated due to legal doctrines such as statutes of limitations, laches, estoppel, or unreasonable delay in prosecuting a law suit. In no instance should U.S. government advice be seen as a substitute for the responsibility of a rights holder to promptly pursue its case.

It is always advisable to conduct due diligence on potential partners. A good partner is an important ally in protecting IP rights. Consider carefully, however, whether to permit your partner to register your IP rights on your behalf. Doing so may create a risk that your partner will list itself as the IP owner and fail to transfer the rights should the partnership end. Keep an eye on your cost structure and reduce the margins (and the incentive) of would-be bad actors. Projects and sales in the EU require constant attention. Work with legal counsel familiar with the EU laws to create a solid contract that includes non-compete clauses, and confidentiality/non-disclosure provisions.

It is also recommended that small- and medium-size companies understand the importance of working together with trade associations and organizations to support efforts to protect IP and stop counterfeiting. There are a number of these organizations, both EU or U.S.-based. These include:

- The U.S. Chamber and [American Chambers of Commerce in Poland](#)
- National Association of Manufacturers (NAM)
- International Intellectual Property Alliance (IIPA)
- International Trademark Association (INTA)
- The Coalition Against Counterfeiting and Piracy
- International Anti-Counterfeiting Coalition (IACC)
- Pharmaceutical Research and Manufacturers of America (PhRMA)
- Biotechnology Industry Organization (BIO)

IP Resources

A wealth of information on protecting IP is freely available to U.S. rights holders. Some excellent resources for companies regarding intellectual property include the following:

- For information about patent, trademark, or copyright issues -- including enforcement issues in the United States and other countries -- call the STOP! Hotline: **1-866-999-HALT** or visit [STOP Fakes](#)
- For more information about registering trademarks and patents (both in the United States as well as in foreign countries), contact the [U.S. Patent and Trademark Office](#) (USPTO) at: **1-800-786-9199**
- For more information about registering for copyright protection in the United States, contact the [U.S. Copyright Office](#) at: **1-202-707-5959**.
- For more information about how to evaluate, protect, and enforce intellectual property rights and how these rights may be important for businesses, please visit the “Resources” section of the [STOPfakes website](#).
- For information on obtaining and enforcing intellectual property rights and market-specific IP Toolkits visit: [STOPfakes Business tools](#). The toolkits contain detailed information on protecting and enforcing IP in specific markets and contain contact information for local IPR offices abroad and U.S. government officials available to assist SMEs.

The U.S. Department of Commerce has positioned IP attachés in key markets around the world. Contact information for European based IP attachés in below:

WTO - World Trade Organization (based in Geneva, Switzerland)

Deborah Lashley-Johnson

deborah_e_lashley-johnson@ustr.eop.gov

WIPO - World Intellectual Property Organization (based in Geneva, Switzerland)

Kristine Schlegelmilch

SchlegK@state.gov

European Union (based in Brussels, Belgium)

[Susan Wilson](#)

Susan.Wilson@trade.gov

Central Eurasia (based in Kyiv, Ukraine)

Dorian Mazurkevich

dorian.mazurkevich@trade.gov

For more information, contact ITA's Office of Standards and Intellectual Property (OSIP) Director, Stevan Mitchell at Stevan.Mitchell@trade.gov.

New Copyright Regulations: Despite opposition of 8 countries, including Poland, in April 2019, the European Parliament passed the Copyright Directive. EU countries have two years to implement the new regulations.

There are numerous articles and points of reform therein, but it is Article 11 and 13 of the Directive which have sparked controversy. Art 11, dubbed as the "link tax", gives publishers right to charge search engines, aggregators, and other sites if they reproduce more than "single words or very short extracts" of new stories. Art, also known as the "upload filter," for-profit platforms like YouTube, Tumblr, and Twitter will be forced to proactively scan user-uploaded content for material that infringes copyright.

[EU Copyright Rules](#)

[European Patent Office \(EPO\)](#)

[EU Intellectual Property Office \(EUIPO\)](#)

[World Intellectual Property Organization \(WIPO\) Madrid](#)

[Polish Patent Office](#)

Selling to the Public Sector

Selling to the Government

Information on the [Office of Public Procurement](#), public procurement regulations and public tenders is available via the internet. Only a handful of relevant resources is available in English.

The Armaments Inspectorate handles Ministry of Defense procurements. Comprehensive information about military procurement laws and regulations is provided on the [Armaments Inspectorate](#) website. On-line resources are available in Polish only.

Unlimited tendering is the preferred method. Participation in tenders is open to all those who are legally, technically, and financially able to perform the contract (including foreign companies).

The U.S. Commercial Service strongly urges U.S. firms bidding on Polish government tenders to utilize the [Department of Commerce's advocacy and counseling services](#) to avoid common pitfalls in this complex process.

Government procurement in Europe is governed by both international obligations under the WTO Government Procurement Agreement (GPA) and EU-wide legislation under the EU Public Procurement Directives. U.S.-based companies can bid on public tenders covered by the GPA, while European subsidiaries of U.S. companies may bid on all public procurement contracts covered by the EU Directives in the European Union.

The EU directives on public procurement have recently been revised and new legislation on concessions has also been adopted. Member States were required to transpose the provisions of the new directives by April 16, 2016. The four relevant pieces of legislation are:

- [Directive 2014/24/EU](#) (replacing Directive 2004/18/EC) on the coordination of procedures for the award of public works contracts, public supply contracts and public service contracts applies to the general sector;
- [Directive 2014/25/EU](#) (replacing Directive 2004/17/EC) coordinating the procurement procedures of entities operating in the water, energy, transport and postal services sectors;
- [Directive 2009/81/EC on defense and sensitive security procurement](#). This Directive sets Community rules for the procurement of arms, munitions and war material (plus related works and services) for defense purposes, but also for the procurement of sensitive supplies, works and services for non-military security purposes;

- [Directive 2014/23/EU](#) on the award of concession contracts. A concession contract (either for the delivery of works or services) is conducted between a public authority and a private enterprise that gives the right to the company to build infrastructure and operate businesses that would normally fall within the jurisdiction of the public authority (e.g. highways).

The EU has three remedial directives imposing common standards for all member states to abide by in case bidders identify discriminatory public procurement practices.

Electronic versions of the procurement documentation must be available through an internet URL immediately on publication of the Official Journal of the European Union (OJEU) contract notice. Full electronic communication (with some exceptions) will become mandatory for all public contracts from October 2018. Central purchasing bodies are required to publish their contracts and requests for tenders since April 2017.

Electronic invoicing (e-invoicing) was introduced in the 3rd quarter of 2018, based on the requirement set forth in [Directive 2014/55/EU](#). The Directive makes the receipt and processing of electronic invoices in public procurement obligatory. Standards for e-invoicing were developed by the European Committee for Standardization (CEN). The deadline for EU countries to transpose e-invoicing Directive 2014/55/EU into their national laws and comply with the European standard on e-invoicing was 18 April 2020. Public authorities across the EU should now be able to process e-invoices respecting the European Standard.

There are restrictions for U.S. suppliers in the EU utilities sector, both in the EU Utilities Directive and in EU coverage of the GPA. Article 85 of Directive 2014/25 allows EU contracting authorities to either reject non-EU bids where the proportion of goods originating in non-EU countries exceeds 50 percent or give preference to the EU bid if prices are equivalent (meaning within a three percent margin). Moreover, the Directive allows EU contracting authorities to retain the right to suspend or restrict the award of service contract to undertaking in third countries where no reciprocal access is granted.

There are also restrictions in the EU coverage of the GPA that apply specifically to U.S.-based companies. U.S. companies are not allowed to bid on works and services contracts procured by sub-central public contracting authorities in the following sectors:

- Water sector
- Airport services
- Urban transport sector as described above, and railways in general
- Dredging services and procurement related to shipbuilding

Financing of Projects

Multilateral Development Banks and Financing Government Sales

Price, payment terms, and financing can be a significant factor in winning a government contract. Many governments finance public works projects through borrowing from the Multilateral Development Banks (MDB). A helpful guide for working with the MDBs is the [Guide to Doing Business with the Multilateral Development Banks](#). The U.S. Department of Commerce's (USDOC) International Trade Administration (ITA) has a Foreign Commercial Service Officer stationed at each of the five different Multilateral Development Banks (MDBs): the African Development Bank; the Asian Development Bank; the European Bank for Reconstruction and Development; the Inter-American Development Bank; and the World Bank.

The European Bank for Reconstruction and Development (EBRD)

The EBRD operates in Poland and aims to provide support in those areas where challenges remain significant, where reforms can be deepened to improve energy efficiency and strengthen Poland's competitiveness. In Poland, the Bank is focused on promoting a low-carbon economy, enhancing the private sector's role in the

economy and assisting in development of a sustainable financial sector and capital markets. Since the beginning of its operations in 1991, the EBRD has invested almost € 10.6 billion (approx. \$ 12.6 billion) in Poland in over 443 projects. Private sector takes a 94 percent share of the portfolio.

The Commercial Liaison Offices help American businesses learn how to get involved in bank-funded projects, and advocate on behalf of American bidders. Learn more by contacting the Commercial Liaison Offices to the European Bank for Reconstruction and Development (<https://www.trade.gov/ebrd>) and the World Bank (<https://www.trade.gov/world-bank>).

The EU supports projects within its Member States, as well as EU-wide economic integration projects that cross both internal and external EU borders.

The European Union provides project financing through grants from the European Commission and loans from the European Investment Bank. EU Structural Funds are distributed through the Member States' national and regional authorities and are only available for projects in the 27 EU Member States.

Loans from the European Investment Bank

Headquartered in Luxembourg, the European Investment Bank (EIB) is the financing arm of the European Union. Since its creation in 1958, the EIB has been a key player in building Europe. As the EIB's lending practices evolved over the years, it became highly competent in assessing, reviewing and monitoring projects. As a non-profit banking institution, the EIB offers cost-competitive, long-term lending in Europe. Best known for its project financial and economic analysis, the Bank makes loans to both private and public EU-based borrowers for projects in all sectors of the economy, such as telecommunications, transport, energy infrastructure and environment, with the goal of contributing towards the integration, balanced development and economic and social cohesion of the member countries.

The [EIB website](#) is a source of information on upcoming tenders related to EIB-financed projects.

EU Structural Funds, including the European Regional Development Fund, were created in 1975 to assist economically depressed regions of the European Union that required industrial restructuring. For the period of 2014 – 2020, the EU has earmarked € 352 billion for projects under the EU's cohesion policy. In addition to funding economic development projects proposed by member states or local authorities, EU Structural and Investment Funds (ESIF) also support specialized projects promoting EU environmental and socioeconomic objectives. Member states negotiate regional and “sectoral” programs with EC officials. For information on approved programs that will result in future project proposals can be found at [European Union Regional Policy web-site](#).

For projects financed through ESIF, member state regional authorities are the key decision-makers. They assess the needs of their country, investigate projects, evaluate bids, and award contracts. To become familiar with available financial support programs in the member states, it is advisable for would-be contractors to develop a sound understanding of the country's cohesion policy indicators.

Tenders issued by member states' public contracting authorities for projects supported by EU grants are subject to EU public procurement legislation. All ESIF projects are co-financed by national authorities and many may also qualify for a loan from the European Investment Bank and EU research funds under Horizon 2020, in addition to private sector contribution. For more information on these programs, please see the [market research](#) section on the website of the U.S. Mission to the EU.

The Cohesion Fund

The Cohesion Fund is another instrument of the EU's policy. Its €63 billion (2014-2020) budget will fund projects in two areas: Trans-European Network projects in transport infrastructure and environmental

projects, including areas related to sustainable development, and energy for projects with environmental benefits.

The fund will support projects in Bulgaria, Croatia, Cyprus, the Czech Republic, Estonia, Greece, Hungary, Latvia, Lithuania, Malta, Poland, Portugal, Romania, Slovakia and Slovenia.

These projects are, in principle, co-financed by national authorities, the European Investment Bank, and the private sector: See Regional Policy: [Cohesion Fund](#) and [Connecting Europe Facility](#).

Negotiations for the new financial framework for the years 2021 through 2027 remain underway.

Other EU Grants for Member States

Another set of sector-specific grants offer assistance to EU member states in the fields of science, technology, communications, energy, security, environmental protection, education, training and research. Tenders [related](#) to these grants are posted on the various websites of the directorates-generals of the European Commission. Conditions for participation are strict and participation is usually restricted to EU firms or tied to EU content. Information pertaining to each of these programs can be found at the [EU Funding and Tenders website](#).

Polish Development Fund

The Polish government does not maintain a sovereign wealth fund, however, the [Polish Development Fund \(PFR\)](#) is an umbrella organization pooling resources of several governmental agencies and departments, including EU funds, to implement programs enhancing long-term investment and support for entrepreneurs. Since mid-January 2018, PFR is under the PM's supervision. PFR supports the implementation of the PM's Responsible Development Plan. About a quarter of initiatives outlined as part of the Strategy are correlated with the objectives of the PFR. Through a financial support program for micro, small, medium and large enterprises worth 4.5% of GDP – the so called “financial shield”- the PFR supports enterprises which have suffered losses as a result of the COVID-19 epidemic.

The PFR operates as a loose financial group of state-owned banks and insurers, investment bodies and promotion agencies, including the development bank BGK, the Export Credit Insurance Corporation (KUKE), the Industrial Development Agency (ARP), the Polish Agency for Enterprise Development (PARP) and the Polish Investment and Trade Agency (PAIH). The budget of PFR group initially reached PLN 14 billion, which managers estimate is sufficient to raise capital worth PLN 90-100 billion. Various actors within the organization can invest through acquisition of shares, through direct financing, seed funding, and co-financing venture capital. Depending on the instruments, PFR expects different rates of return. PFR VENTURES, the first professional institutional investor operating on the Polish market within the Fund of Funds formula, is an entity managing the fund of funds, providing financing via venture capital funds and groups of business angels for innovative SMEs at a different stage of development. Funds dedicated to innovative projects come from European funds, i.e., the "Smart Growth Operational Program 2014 – 2020" and private funds from selected financial agents.

Business Travel

Business Customs

In general, conducting business in Poland is highly compatible with our expectations of doing business in the U.S. Poles are, in general, hard -working and trustworthy. The following discussion illustrates a few examples of some potential situations you may encounter when in Poland on business.

It is customary to greet by shaking hands in Poland. A good eye contact and a firm hand-shake are most appropriate. A businesswoman should not be surprised if a Polish man kisses her hand upon introduction, at subsequent meetings or when saying goodbye. American men are not expected to kiss a Polish woman's hand, but may simply shake hands.

Poland is a hierarchical country and it is important to know that while greeting it is appropriate that someone of a higher rank extends his hand first. In case of a man and a woman, usually, out of politeness, the woman is the one expected to extend her hand. With younger generations, this custom may not be observed.

When meeting someone for the first time it is more appropriate NOT to address him/her by his/her first name. "Pan" and "Pani" – which might be translated as equivalents of "Sir" and "Madam", are used in initial contacts. The American way of overcoming formalities and addressing almost everybody by his/her first name is growing in popularity. Again, this is particularly true in case of the younger generation of business representatives in Poland.

Business cards are the norm in Poland and are generally given to each person present in a meeting. As Poles tend to bring more than one person to their meetings, U.S. visitors should bring plenty of business cards. It is not necessary to have business cards printed in Polish.

Business hours for offices start at 8:00 AM and end by 5:00 PM. Try to schedule your business meetings within this time frame. Poles might be reluctant to meet at an earlier hour or later in the day.

Although your business contacts may speak English, communication in Polish is recommended when dealing with the Polish government on official business. Just remember that even if you speak fluent Polish, you may still find yourself mired in red tape when doing business with the Polish government.

Business attire is generally formal, including a suit and tie for men, and a suit or a dress for women. Casual wear, including jeans, is suitable for informal occasions, but more formal dress is usually customary for visiting or entertaining in the evening. Flowers, always an odd number, are the most common gift among friends and acquaintances. Sunday is the traditional day for visiting family and friends in Poland.

When planning a business trip to Poland, it is worthwhile to check Polish holidays. Poles are reluctant to schedule appointments on Sundays or Polish holidays. During summer months – July and August – the majority of Poles take vacation; therefore, securing business appointments with decision makers might be difficult.

Travel Advisory

[State Department Travel & Business Advisory](#)

Visa Requirements

American companies that require travel of foreign businesspersons to the United States should be advised that security options are handled via an interagency process and should go to the following link [State Department Visa Website](#)

For persons [traveling to the U.S. on business](#). As of, November 11, 2019, Polish citizen can travel to United States with ESTA (Electronic System for Travel Authorization) visa waiver. Citizens of Poland are able to apply

to travel to the United States for tourism or business purposes for up to 90 days without obtaining a U.S. visa. For further information please contact U.S. Embassy in Warsaw, [Consular Section](#)

Currency

Poland is not a member of the Euro currency system and the legal currency in Poland is the Polish zloty (PLN). In most places, it is impossible to pay with Euro or US dollars, only some hotels and few shopping malls will accept Euro. Money can be exchanged in banks or exchange offices (kantors) that are widely present in Poland, both in large and small cities. Over the counter exchange is also available at larger hotels, at border crossings or in dedicated outlets across towns and cities. All major foreign currencies may be exchanged for Polish zloty. Since Poland's accession to the EU, the exchange rates have proved fairly stable even if the zloty has appreciated over the years.

Visitors to Poland may be assured of easy access to banks and cash dispensers, particularly in larger towns. In Poland, ATM's, which operate 24 hours a day, offer far easier access to money than banks. They can normally be found near such places as banks, rail stations, airports, supermarkets, town centers and other places popular with visitors. Poland has a dense network of ATM's, which are connected to all international networks. There are more than twenty-two thousand ATM's located across Poland.

Debit and credit cards are widely accepted, and payment by debit or credit card is considered a standard form of payment. All large retail outlets and majority of other shops and restaurants accept debit and credit cards. The most popular are VISA, MasterCard and Maestro, with American Express and Diners also present and accepted by major ATMs. Travelers checks are not popular in Poland. Only selected units of two Polish banks (PKO BP and Pekao SA) cash travelers checks. They also may be cashed in the Currency Express at the Warsaw Chopin International Airport. Travelers checks are of little use in Poland as only some large hotels may accept them as a means of payment. They are not accepted in other places.

Telecommunications/Electronics

Cellular phone services are GSM/DCS/UMTS/LTE-based systems, with the coverage throughout the country. Internet access is available at all business-class hotels, though some at an extra fee. Free Wi-Fi internet access is usually available at gas stations, shopping centers, restaurants, public transport and other public areas. Visitors can save on international and long-distance phone connections using the U.S. toll-free service provided by AT&T, Verizon and other service providers, or IP-based access numbers.

In an emergency, there is a unified 112 number, available from cellular and fixed -line phones.

To call Poland from abroad: +48 and telephone number (include a city prefix in case of calls to fixed-line, no prefix needed while dialing to cellular phones). To call the U.S. from Poland: 001 or +1. The electricity in Poland is 230V and 50 Hz, with the European continental standard sockets (same as Germany and France).

Transportation

Transportation by air to and from Poland is excellent. International carriers fly to Poland many times per day from all over the world, and LOT Polish Airlines has direct flights to Warsaw from Chicago, New York, Newark, Los Angeles and Miami.

Transportation within Poland is quite convenient, especially by air, bus and by train. Flights operate between major cities. Railway routes are extensive and usually reliable, with the "Inter-City" line providing first-class, express service to several cities. Travel time by rail to some destinations might take much more time than expected, but recently this mode of transportation has been seeing a lot of investment in terms of infrastructure and rolling stock.

Rental cars are abundant, but due to significantly increased traffic over the past few years and a highway system that has not kept up, driving between Polish cities, especially at night, can be quite dangerous. Poland's highway network, which is generally underdeveloped, is undergoing a major improvement to meet EU standards. Major highways A1, A2 and A4 are still under construction, but many parts of these highways are already in operation. Thus, travel from Warsaw to other major cities (Krakow, Poznan, Gdansk) became significantly shorter, safer and more comfortable.

Taxis are very affordable. It is advisable to call ahead to a reputable taxi company for radio dispatch for personal security, as well as to avoid overcharges. Ride hailing services, such as Uber and MyTaxi are also available. Many cities have also introduced car sharing services.

Basic English is widely spoken in most hotels and restaurants. International hotels and restaurants catering to foreigners accept major credit cards, although smaller hotels and restaurants may not. Currency exchange is widely available, as are local currency Polish Zloty (PLN)-dispensing ATM's, that accept most U.S. bankcards. Please note that the Euro has not been adopted in Poland.

First class business hotels are available in most major Polish cities, and many are in the heart of business districts. Major western hotels offer air-conditioned rooms with access to the Internet and direct dial telephone capability. Many hotels offer business center amenities with computers, fax, business assistance services, and Internet capabilities. All business hotels take major credit cards. Availability and room rates are seasonal and competitive, and business travelers are advised to check and confirm rates at hotels in advance of their travel. Room rates may be higher during longer off-season breaks close to public holidays.

Language

Polish is the official language in Poland. Communication in Polish is recommended if the seller would like to receive a speedy reply to correspondence and inquiries. U.S. companies should ensure that translations from English into Polish are performed only by professional translators who are fluent in modern business Polish and grammar. When conducting business in Poland, a qualified Polish -language interpreter is recommended. CS Warsaw can provide lists of interpreters

Health

In general, American travelers should familiarize themselves with conditions at their destination that could affect their health (high altitude or pollution, types of medical facilities, required immunizations, availability of required pharmaceuticals, etc.). This important information is available at "[Travel.State.Gov](#)" website under "International Travel - Before You Go - Your Health Abroad"

American citizens are welcome to consult a list of medical assistance Selling to compiled by the U.S. Embassy and Consulate General in Poland. The Embassy does not assume responsibility for the professional ability or integrity of persons appearing on that list. The list of health care providers is not meant to be exhaustive or definitive, nor does it represent either a guarantee of competence or endorsement by the Department of State or the American Embassy. Inclusion indicates that these health care providers have been utilized by the American community in the past.

Medical Assistance <https://pl.usembassy.gov/u-s-citizen-services/doctors/>

Local Time, Business Hours and Holidays

Poland is on Central European Time (CET) and, as such, is six hours ahead of the U.S. East Coast (EST).

Regular business hours in most cases are from 8:00-4:00PM in governmental offices and 9:00-5:00PM in the private sector.

Locally observed holidays in 2020:

January 1(Wed): New Year's Day
January 6 (Mon): Epiphany
April 12 (Sun): Easter
April 13 (Mon): Easter Monday
May 1 (Fri): Labor Day
May 3 (Sun): Constitution Day
May 31 (Sun): Pentecost
June 11 (Thu): Corpus Christi Day
August 15 (Sat): Assumption Day
November 1 (Sun): All Saints' Day
November 11 (Sun): National Independence Day in Poland
December 25 (Fri): Christmas Day
December 26 (Sat): Christmas Second Day

From January 1, 2020, all trading is banned on all Sundays except seven.

Poland follows European Daylight Savings Time, which begins the last Sunday in March and end on the last Sunday of October.

The U.S. Commercial Service is closed on most U.S. and Polish holidays. During the month of July and August, most Polish institutions are staffed with minimum personnel. For local time and business hours, please contact the Commercial Service in advance. The Commercial Service can be reached by telephone at +48 22-625-4374, or e-mail at office.warsaw@trade.gov.

Temporary Entry of Materials or Personal Belongings

There are no restrictions on the temporary entry of personal laptop computers or other personal belongings into Poland.

As a result of various customs agreements, simplified procedures are available to US business and professional people for the temporary importation of commercial samples and professional equipment to the EU. Polish law requires materials that enter Poland temporarily and return to the United States, such as exhibition goods, are delivered with ATA Carnet documentation.

An ATA carnet is a customs document that facilitates customs clearance for temporary imports of samples or equipment into foreign countries. With the carnet, goods may be imported without the payment of duty, tax, or additional security. The carnet also saves time since formalities are all arranged before leaving the United States. An ATA carnet is valid for one year from the date of issuance.

To read more about ATA carnet please see : Export.gov [3-ATA Carnet](#).

Travel Related Web Resources

[Travel Documents](#)

[Travel to the United States](#)

[Visas](#)

[Tourism & Visit](#)

[Medical Emergency Abroad](#)

[Insurance Providers for Overseas Coverage](#)

[Medical Assistance](#)

[U.S. Commercial Service - Warsaw Poland](#)

[ATA Carnet](#)

Investment Climate Statement (ICS)

The U.S. Department of State's Investment Climate Statements provide country-specific information on the business climates of more than 170 countries and are prepared by economic officers stationed in embassies and posts around the world. They analyze a variety of economies that are or could be markets for U.S. businesses of all sizes.

Click on the link to read [Poland's Investment Climate Statement](#).

Political Environment

For background information on the political and economic environment of Poland, please read [U.S. Department of State website](#).

