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**Report Name:** 2019 Direct Versus Indirect Trade--Poland's Hidden Market for US Agriculture

**Country:** Poland

**Post:** Warsaw

**Report Category:** Agricultural Situation, Dairy and Products, Fishery Products, Avocado, Canned Deciduous Fruit, Dried Fruit, Fresh Deciduous Fruit, Fresh Fruit, Kiwifruit, Raisins, Stone Fruit, Strawberries, Livestock and Products, Oilseeds and Products, Potatoes and Potato Products, Poultry and Products, Tree Nuts, Wine, Wood Products, Planting Seeds

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**Report Highlights:**

In 2019, U.S. food and agricultural trade to Poland surpassed \$500 million for the first time. Although Poland is an important and growing market for U.S. food and agriculture, export data from USDA's Global Agricultural Trade System (GATS) do not adequately capture U.S. exports bound for the Poland. Because GATS data only measures trade until the port of entry within the European Union's (EU) common market, it neglects significant volumes of trade directly distributed throughout the EU from large Western European ports. As a result, some U.S. stakeholders may undervalue the full potential of Poland and other Eastern European markets. For Poland, this dynamic becomes evident when directly comparing GATS with Poland's Central Statistical Office (CSO) trade data, which measures trade based on country of origin, and therefore captures direct and indirect U.S. trade.

**General Information:**

According to Poland's CSO, in 2019 Poland imported \$513 million of U.S.-origin food and agriculture, a six-percent increase over 2018 (see Attachment II, Trade Data Monitor (TDM) based on CSO data). 2019 CSO data for U.S. food and agriculture trade to Poland are significantly larger in volume and value terms than is reported by GATS (see Attachment I, GATS BICO Report). GATS only measures to the port of entry within the EU's common market and therefore fails to account for the substantial amount of indirect trade sent throughout the EU, especially to Eastern Europe, by distributors based Rotterdam, Antwerp, Hamburg, and Bremerhaven, among others.

Indirect U.S. trade to Poland is especially noteworthy for U.S.-origin fish and high-value consumer products. When comparing 2019 GATS trade data for Poland with 2019 CSO data (Table 1), the discrepancy vis-à-vis the Polish market is upwards of \$288 million. Post estimates that 56 percent of the U.S. food and agriculture exported to Poland in 2019 initially landed in a Western European port and therefore was not counted by GATS as U.S. exports to Poland.

**Table 1: U.S. Food and Ag Trade with Poland 2017-19 (\$ million)**

Source of Data	2017	2018	2019
GATS (Direct U.S. exports to Poland)	210.8	254.9	224.1
CSO* (Direct and indirect imports from the United States)	431.6	481.3	512.6
<b>Difference</b> (Indirect imports)	220.8	226.4	288.5
<b>Percentage of Indirect Imports</b>	51	47	56

\*CSO data published by TDM

Table 2 below reflects direct versus indirect U.S. trade to Poland for selected food products. The following is not an exhaustive list, but attempts to capture the most relevant U.S. products.

**Table 2: 2019 Direct vs. Indirect Trade of U.S. Ag, Fish and Forestry Products (\$ million)**

HS Code	Description	GATS: Direct U.S. Trade to Poland (\$ million)	CSO: Direct and Indirect U.S. Trade to Poland (Total)* (\$ million)	Difference: Total vs. Direct Trade (\$ million)	Total Share of Indirect Trade (%)
	Agricultural, Fishery and Forestry Products	224.1	512.6	288.5	56
2401.20	Tobacco	2.5	54.8	52.3	66
2204	Wine, Grape	9.0	34.4	25.4	74
2106.90	Food Preparations	16.3	35.9	19.6	55
0802.12	Almonds,	12.8	25.5	12.7	50

	Shelled				
2208	Distilled Spirits	28.9	35.1	6.2	18
2309.90	Animal Feed Prep.	0.8	17.0	16.2	95
0303.12	Pacific Salmon	0	13.5	13.5	100
0303.11	Sockeye Salmon	0	42.2	42.2	100
0304.75	Alaska Pollock	0	29.5	29.5	100
0201&0202	Beef	0	0.4	0.4	100
2008.93	Cranberries	9.1	17.7	8.6	49
0802.51	Pistachios	8.0	19.5	11.5	59
0714.20	Sweet Potatoes	0	0.9	0.9	100
2103.90	Sauces, Mixed Condiments, Seasonings	1.9	2.2	0.3	14

*\*CSO data published by TDM*

In 2019, GATS data undervalued U.S. wine exports to Poland by \$25.4 million, when compared with CSO data. In 2019, 74 percent of the U.S. wine trade to Poland arrived through Germany, explaining the significant difference between GATS and CSO data. France and United Kingdom (UK) were also important ports of entry for U.S. wine bound for Poland.

In 2019, GATS data undervalued U.S. food preparation trade to Poland by \$19.6 million, when compared with CSO data. U.S. origin food preparations bound for Poland were mostly offloaded in German, Dutch, and Belgian ports of entry.

GATS undervalued 2019 U.S. shelled almond trade to Poland by \$12.7 million, versus CSO data. U.S. almonds were distributed to Poland through Spanish, German, and Dutch intermediaries.

In 2019, GATS data undervalued U.S.-origin distilled spirits trade to Poland by \$6.2 million, when compared with CSO data. U.S. distilled spirits mostly arrive in Poland through German and Dutch intermediaries.

GATS data for the 2019 U.S. cranberry trade to Poland was \$8.6 million below CSO data. U.S. cranberries arrive in Poland through German and Dutch intermediaries.

GATS undervalued the 2019 U.S. pistachio trade to Poland by \$11.5 million, versus CSO data. U.S. pistachios arrive in Poland mostly through German intermediaries, especially through German retail supply chains. Several large German retail chains are present throughout Poland.

The U.S. sauces, mixes, condiments, and seasonings trade to Poland in 2019 were undervalued by GATS data by \$300,000 compared with CSO data. These U.S. products arrive in Poland through German, Dutch, and UK intermediaries.

GATS shows no U.S. sweet potato trade to Poland in 2019. However, CSO data shows Poland imported \$900,000 of U.S. sweet potatoes in 2019, a 24-percent increase over 2018. U.S. sweet potatoes tend to enter the Polish market through Germany, Italy, and the Netherlands.

GATS shows no U.S. beef trade to Poland in 2019. However, CSO 2019 shows that Poland imported \$400,000 of U.S. beef in 2019. U.S. beef arrives in Poland mostly through Dutch and German intermediaries.

Alaskan pollock accounts for nearly 30 percent of the United States' total frozen fish trade with Poland. While 2019 GATS data shows almost no U.S. frozen pollock trade, CSO data reflected \$29.5 million of pollock from the United States.

GATS also failed to capture any of the United States' \$42.2 million trade in sockeye salmon with Poland in 2019, which were captured by CSO.

Poland is a fast-growing export market for U.S. fish and seafood products. According to CSA data, U.S. 2019 fish and seafood trade to Poland amounted to \$100 million, a 27-percent increase over 2018 and a 70-percent increase over 2015 (Table 3).

**Table 3: Imports of Fish and Seafood from the United States 2015-19 (\$ million)**

<b>Data Sources</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
GATS	2.0	8.6	5.6	23.7	17.2
CSO*	59.1	71.9	77.2	78.8	100.1
<b>Difference</b>	57.1	63.3	71.6	55.1	83.8
<i>Percent of Indirect Exports</i>	97	88	93	70	83

\*CSO data published by TDM

Some U.S. exporters may not be fully aware of the potential of Polish fish and seafood market, which may affect how these stakeholders allocated resources for promotional activities. FAS Warsaw is eager to raise awareness among U.S. partners about the potential of Polish market through reporting and direct contacts with exporters and cooperators.

**Table 4: GATS U.S. Fish and Seafood Direct Trade to Poland 2017-19 (\$ million)**

HS Code		2017	2018	2019
03	Fish Products, Total	5.6	23.7	17.2
030311.0000	Sockeye Salmon, Frozen	3.0	22.4	14.0
030312.0032	Pink Salmon, Frozen	0.6	0.2	0.6
030475.0000	Pollock Filets, Frozen	0	0	0
030312.0022	Chum Salmon, Frozen	1.8	0	0.5
030312.0012	Chinook, Frozen	0	0	0.1
030363.0000	Cod, Frozen	0	0	0
030366.0000	Whiting, Hake, Frozen	0	0	0
030367.0000	Alaska Pollock, Frozen	0	0	0
030481.0000	Pacific Salmon, Filets, Frozen	0	0	0.4
030499.1130	Surimi, Alaska Pollock, Frozen	0.2	0	0

When making the same analysis using CSO data (Table 5), a U.S. stakeholder might conclude that Poland is a medium-sized market with solid growth potential. According to 2019 CSO data, the frozen sockeye salmon and Alaska pollock trade grew significantly over 2019. However, GATS 2019 trade data show a decrease of sockeye salmon trade and fails to account for any pollock trade (Table 4).

**Table 5: CSO U.S. Fish and Seafood trade to Poland 2017-19 (\$ million)**

HS Code		2017	2018	2019
03	Fish Products, Total	77.2	78.8	100.1
0303.11	Sockeye Salmon, Frozen	31.8	24.8	42.2
0303.12	Pacific Salmon, Frozen	8.9	9.4	13.5
0303.63	Cod, Frozen	0	0.2	0
0303.13	Atlantic Salmon Salmon, Frozen	0.2	0	0
0303.42	Yellowfin Tuna Frozen	0.2	0	0
0304.75	Alaska Pollock Fillets, Frozen	21.5	31.2	29.5
0304.81	Pacific, Atlantic Salmon Fillets, Frozen	4.0	4.1	3.6
0304.94	Alaska Pollock, Frozen, Except Fillets	6.1	3.8	3.4
0304.95	Fish of Families Bregmacerotidae	3.8	0	5.3

0304.74	Hake Fillets, Frozen	0	0	1.7
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*\*CSO data published by TDM*

**Attachments:**

[BICO Report Poland\\_GATS.docx](#)

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