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Report Highlights:

Poland is Central and Eastern Europe's largest market for food and beverages. With its population of nearly 40 million people, it is a growing and viable market for U.S. food and agricultural products. In 2018, Poland imported \$26 billion of food, agriculture, and related products, of which \$481 million were sourced from the United States. U.S. products with strong sales potential include fish and seafood, wine, distilled spirits, tree nuts, dry fruit, and innovative food ingredient products.

Market Fact Sheet: Poland

Executive Summary

Poland is the largest market for food and beverages in Central and Eastern Europe. With nearly 40 million consumers, Poland is an attractive export market for U.S. products. Its 2018 gross domestic product (GDP) grew by 5.1 percent, driven largely by strong domestic demand. In 2018, Poland imported upwards of \$26 billion in food and agriculture. U.S. imports of these products were \$481 million. U.S. products with strong sales potential in Poland include fish and seafood, wine, tree nuts, dried fruit, highly processed and functional ingredients.

Imports of Consumer-Oriented Products

2018 Polish consumer-oriented food imports reached \$13 billion, with U.S. imports valued at \$164 million. Food imports compensate for seasonal local production and Polish consumers appreciate the diversity of imported products.

Food Processing Industry

Poland's food processing industry is the largest in Eastern Europe and the seventh largest in the European Union (EU). In 2018, food processing accounted for seven percent of Poland's \$585 billion GDP. Key sectors are meat, dairy, beverage, confectionary, bakery, and processed horticulture. Danone, Heinz, Unilever, Mondelez, Nestle and others have expanded their Polish operations.

Food Retail Industry

Food retail in Poland has transformed rapidly and is a dynamic economic driver. The retail sector is diverse and ranges

from small family-run stores to medium-sized stores, to large distribution centers.

Quick Facts CY 2018

Imports of Consumer-Oriented Products

\$13 billion (U.S. imports \$164 million)

List of Top 10 Growth Products in Poland

- | | |
|-------------------|-------------------|
| 1) Wine | 2) Whiskies |
| 3) Alaska pollock | 4) Sockeye salmon |
| 5) Pet food | 6) Cranberries |
| 7) Almonds | 8) Pistachios |
| 9) Pacific salmon | 10) Prunes |

Top Hotel Chains operating in Poland include Accor/Orbis, Hilton Hotels & Resorts, Marriott International, Best Western, Louvre Hotels Group

Top Food Service operators in Poland include McDonald's, KFC, Pizza Hut, Burger King, Starbucks

GDP/Population

Population (*million*): 38

GDP (*billion USD*): 585

SWOT Analysis	
Strengths	Weaknesses
Central Europe's most populous country with domestic consumer market of nearly 40 million people.	U.S. products face high transportation costs versus European competitors.
Opportunities	Threats
Market niches exist in fish and seafood, wine, tree nuts, dried fruit, highly processed and functional ingredients.	Foreign investments in Polish food processing industry result in local production of high quality products.

Sources: Polish Statistical Office, World Bank, Trade Data Monitor, The Economist

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Executive Summary:

SECTION I. MARKET SUMMARY

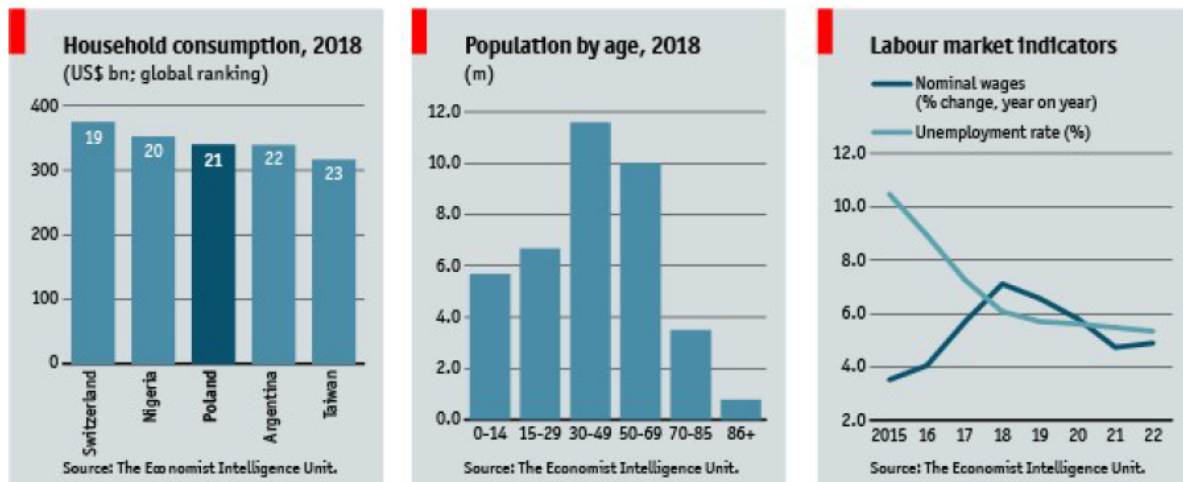
Poland is a fully-developed European market with a population of nearly 40 million people. In 2018 real GDP growth was over five percent and was driven largely by increasing consumer demand. Real GDP growth in 2019 is expected to reach four percent. From 2012 to 2019, household incomes increased by 12 percent. Government of Poland (GOP) social-safety net initiatives, such as the Family 500+ Program, also provide additional income to millions of families. In 2019, the GOP increased the monthly minimum wage to Polish zloty (PLN) 2,250 (\$608), which further contributed to consumer spending. Subsequent minimum wage increases are also planned in 2020 and 2021.

Table 1: Basic Economic Indicators

	2018 ^a	2019 ^e	2020 ^f	2021 ^f	2022 ^f	2023 ^f
Real GDP growth	5.1	4.0	3.3	3.5	3.2	3.0
Unemployment rate	6.1	5.7	5.6	5.5	5.3	5.1
Consumer price inflation	1.7	2.2	2.6	2.2	2.3	2.3
Exchange rate: PLN to \$1.00	3.7	3.8	3.8	3.6	3.5	3.3

Source: Economist Intelligence Unit ^aactual ^eestimates and ^fforecasts.

Chart 1: Poland: Household Consumption, Population by age, Labor Market.



Source: The Economist Intelligence Unit

Poland is a growing and increasingly viable market for U.S. food and agricultural products. In 2018, Poland imported \$26 billion of food, agriculture, and related products, of which \$481 million were sourced from the United States. U.S. products with strong sales potential include fish and seafood, wine, distilled spirits, tree nuts, dry fruit, and innovated food ingredient products.

Polish consumers tend to view the U.S. products positively. U.S. products imported into other European Union (EU) Member States are regularly re-exported to Poland without additional tariffs or regulatory requirements, besides required labeling in the Polish language.

The food processing and catering industries in Poland are increasingly interested in sourcing baking ingredients such as tree nuts, fish and seafood products, dried fruit, flavors and aromas, sweeteners, food additives, food colors, and enzymes. The food processing industry is developing rapidly and is actively seeking high-quality inputs.

Over 61 percent of Poland’s population lives in urban areas and its median age is 38 years. Family sizes are becoming smaller among Poland’s 13 million households, with an average household size of three people. The typical Polish family eats together during meal times and tends to buy enough food stocks to last only for a few days at a time. Over the past five years, per capita consumption of processed foods has remained stable. Per capital consumption of wine, sugar, and horticultural products increased slightly in 2017 (latest available data).

Table 2: Poland - Consumption of Selected Consumer Goods Per Capita

Consumer goods	Unit of measure	2016	2017
Grain of 4 cereals (in terms of processed products)	kg	106	107
Potatoes	kg	101	101
Vegetables	kg	104	105
Fruit	kg	47	48
Meat and edible offal	kg	73.6	75
Animal edible fats	kg	5.5	6
Butter	kg	4.2	4.3
Cow’s milk	l	205	206
Sugar	kg	44.3	45
Vodkas, liqueurs, other alcoholic beverages in terms of 100%	l	3.2	3.8
Wine and honey wine	l	6.3	8.5
Beer from malt	l	98.9	99.5

Source: Polish Statistical Office Data, industry estimates

During the last twenty years, Poland’s food industry was largely restructured and privatized. Large multinational corporations like Coca-Cola, Nestle, Heineken, PepsiCo, Mars, Unilever, and Danone have been active since privatization began in the early 1990s. Multinationals now account for over 70 percent of confectionery production, own the largest beer breweries, meat processing plants, beverage bottling plants, and fruit and vegetable processing plants.

Table 3: Polish Market Advantages and Challenges

Advantages	Challenges
Central Europe’s most populous country with a domestic consumer market of nearly 40 million people.	U.S. products face high transportation costs as compared to many European competitors.
A strategic location within a large market offering re-export potential.	The EU’s complicated system of product registration can delay or even prevent new-to-market products from entering the Polish market.
Transshipment from other EU countries of import possible because of Poland’s EU membership.	Poland’s EU membership puts U.S. products at a competitive disadvantage versus duty-free access for the other 27 EU Member States.
Market niches exist in food ingredient categories, particularly dried fruit, nuts, baking mixes, functional foods, and organic components.	Despite rising incomes, Polish consumers are still price sensitive when purchasing food and beverage products in at least 75 percent or more of their retail food purchases.
Polish consumers associate U.S. products with good quality.	Foreign investment in the Polish food processing industry results in local production of many high quality products that were previously imported.
Economic growth has been rising and growing Polish middle class is eager to try new products.	While some U.S. products are not affected by EU trade barriers, other goods (e.g. poultry, beef, most fresh horticultural products, etc.) are limited due to restrictive and arbitrary EU sanitary and phytosanitary barriers.

SECTION II – EXPORTER BUSINESS TIPS

The Polish market offers good opportunities for U.S. exporters of consumer-oriented agricultural products. U.S. suppliers of consumer-ready foods and beverages interested in developing their products in the Polish market should make sure that their products meet all EU and local food laws, including packaging and labeling requirements.

The best way to understand the Polish market is to visit and speak to importers and distributors to prepare the best entry strategy for your products. Trade shows within Poland and the region offer many unique networking opportunities. See the link for a list of USDA endorsed [trade shows](#).

Personal contact is important when doing business in Poland, as most purchases are made after in-person meetings with an exporter and/or their representative. English is increasingly common as the language of international commerce, but translation services may also be necessary. It is customary for business people to shake hands upon meeting.

Polish business culture can be somewhat conservative and first names are best avoided at first in a professional context. Address people with Pan (Mr.) and Pani (Mrs.) followed by their surname. Relationships often develop to the point when first names can be comfortably used, but surnames

should be used at initially. Business cards exchanges are routine and are generally given to each person at a meeting. U.S. visitors should bring plenty of business cards to any meetings. Cards printed in Polish are not necessary. Standard business attire is recommended.

Technical regulations including documentation, sanitary and phytosanitary, and labeling requirements have changed since Poland's EU accession. For detailed information on import regulations please see the EU-28 [Food and Agricultural Regulations and Standards \(FAIRS\) Report](#). For details on Poland-specific import regulations, see to Poland's [FAIRS Country report](#). To determine current tariffs and other measures applied to imports, please refer to the [Online Customs Tariff Database](#).

SECTION III – MARKET SECTOR STRUCTURE AND TRENDS

Wholesale Sector

Poland's wholesale market structure has five categories: national chains, regional chains, regional wholesalers, local wholesalers, and buyer groups (consisting of regional chains and regional wholesalers). National chains are the least numerous and operate branches throughout Poland with central management. Buyer groups operate in several market segments and are increasing their integration with specific retailers.

Regional chains have recently grown through consolidation and cover specific areas, usually several provinces and supply mainly retailers. Regional wholesalers have a strong presence in local markets and offer a wide range of products and at times a better service than companies operating on nationwide scale. However, local wholesalers are feeling the pressure of larger firms that now primarily concentrate on cash and carry operations.

In Poland, the cash-and-carry format has gained popularity quickly, as small, traditional retailers, of which there are many, rely on them as distributors. Most of major cash-and-carry chains target small, traditional retailers and hotel, restaurant, and institution (HRI) outlets. While market consolidation is likely to increase, new market entrants can also be expected. As cash-and-carry sales are likely to rise in conjunction with the growing number of small retail and HRI outlets, Post expects this segment to become increasingly significant. The main stakeholders in the cash-and-carry segment are Makro Cash and Carry Polska SA, Selgros Cash & Carry Sp. z o.o, and Eurocash SA.

Retail Sector

The distribution system for consumer ready food products, as with all other branches of the Polish economy, is still undergoing a rapid transformation and remains one of the most dynamic and fastest growing areas of the Polish economy. The retail sector is much diversified. It ranges from small family-operated stores, through medium-sized stores to large distribution centers which are easily comparable with those found in Western Europe and the United States. As incomes grow, Poles are becoming more fastidious buyers, which force retailers to pay more attention to product quality, customer service, store design, and the overall shopping experience.

Foreign investors are attracted to the retail sector. The vast majority of hypermarkets are foreign owned, with traditional small-scale and predominantly Polish-owned shops facing steadily decreasing sales. There are approximately 31 shops per 10,000 inhabitants.

Large retail chains are projected to control of as much as 70 percent of the Polish market within the next five years. The largest retail chains in Poland are Biedronka Jeronimo Martins Dystrybucja S.A., Tesco Polska Sp. z.o.o. (Tesco recently announced that it may sell its Polish operations to focus more on its UK base), Carrefour Polska Sp. z.o.o., Auchan Polska Sp. z.o.o., Lidl Polska Sp. z.o.o., and Netto Polska Sp. z.o.o. In December 2019, South Africa's SPAR store chain dynamically increased its operations in Poland following its acquisition of Piotr i Pawel, a former high-end Polish retail chain.

Market analysis shows that currently almost 40 percent of confectionary retail sales occur via distribution by small grocery retailers. The role of private labeling is increasing in Poland as consumers seek value. Their confidence in private label products is growing due to quality improvements made by retailers. Discounters remain the main distribution channel of private label goods.

Industry reports indicate that since 2018, e-commerce has developed at an annual pace of over 50 percent. Consumers appreciate the convenience of online shopping, as well as lower prices and home delivery. The expansion of online retailers and the increasing number of internet users (the 2018 share of households with internet access was over 80 percent) translates into growing opportunities in this segment. Online sales constitute about five percent of overall retail revenue. Although older consumers still tend to be wary of online shopping, the consumption patterns are clear and the future of e-commerce in Poland is bright. Notably, 46 percent of villagers shop online, making them the second e-commerce consumer group, just after 54 percent of urban consumers. Using smart phones for online shopping is increasingly common, as consumers increasingly turn to mobile phones for informing about products, discounts, comparing prices, and payment.

Food Processing Sector

The food processing sector continues to grow and includes both domestic and international companies. Food companies which process horticultural, meat, and bakery products are located throughout Poland. The most important food processing sectors are meat, dairy, and alcohol, followed by confectionery, food concentrates, sugar, fruits and vegetables, juices, and non-alcoholic beverages.

The confectionary sector is an example of the trends associated with the modernization of the Polish market. It has been reported that almost 42 percent of Poles consume at least one chocolate bar a day, and at least 36 percent have one or more wafer bars. More Poles, particularly affluent ones, look for higher-end products. Sugar confectionery fared well even during times of economic slowdown as such products are seen as affordable indulgences. The demand for chocolate may be hampered by lifestyle trends and reducing sugar consumption, although these same trends may result in higher demand for dark chocolate and lighter versions of chocolate products.

Poland attracts foreign companies and foreign investors because of its good macroeconomic climate, a developed financial sector, availability of well-educated, productive and wage competitive labor force.

Foreign investors have played a significant role in developing and modernizing the Polish food processing industry. PepsiCo, Nestle, Mondelez, Coca-Cola, Smithfield, Danone, and Mars have their plants in Poland. U.S. firms are among the largest foreign investors in this sector.

Foreign companies which have invested in the Polish food processing sector include:

- **Coca Cola Beverages**
- **PepsiCo: production of beverages, snacks, confectionery products**
- **Smithfield: meat processing**
- **Mars Incorporated (Master Foods): production of confectionery products/animal feeds**
- **McDonalds, Burger King: quick service**
- **Cargill Inc: production of animal feeds**
- **H.J. Heinz Company: Processing and preserving of fruit and vegetables**
- **Wrigley: confectionery**

HRI Sector

According to a survey conducted by leading Polish cash-and-carry operators in 2018, almost 75 percent of Poles do not regularly dine out. This is changing in urban areas where employees work longer hours and dining out is a more common social activity. Polish, Italian, Chinese, Mexican, and Indian restaurants can be found in almost every city. American casual dining and quick-service chains are common in larger cities. International hotel chains such as Marriott, Radisson, Intercontinental, Sheraton, and Hilton are present in Polish cities.

Despite that Poles still tend to prefer homemade meals, they are gradually moving towards ready-made meals, particularly among young urban professionals. Busy personal lives, coupled with intense professional lives, provide less free time. Consequently, sales of convenience foods and food delivery services are increasing. International cuisines are gaining in popularity due to increasing interest and demand by well-traveled Poles.

Several domestic producers have set up separate distribution channels specifically for HRI. While other Polish food distribution sectors are already very competitive, HRI still offers excellent opportunity for growth. An HRI-targeted promotion campaign may offer U.S. exporters good opportunities for sales to Poland.

Import of High Value Products

2018 Polish consumer-oriented food imports reached upwards of \$13 billion, with U.S. imports accounting for \$164 million. Domestic products and products from other EU countries, which make up 50 percent of food imports, are the main U.S. competitors. The growth of Poland's food processing industry has led to more variety of locally-made products. Even iconic American products are made in Poland. Many Polish consumers prefer Polish products over imports, and chains commonly advertise that they offer Polish products to increase sales.

Table 4: Polish Imports of Consumer Oriented Products

Poland Customs Import Statistics							
Commodity: Consumer-Oriented Agricultural Total							
Calendar Year: 2016 - 2018							
Partner Country	Millions United States Dollars			Market Share %			% Change
	2016	2017	2018	2016	2017	2018	2018/2017
World	10,652	12,504	13,571	100.00	100.00	100.00	8.53
United States	144	154	164	1.35	1.23	1.21	6.68

Source: Trade Data Monitor

Domestic producers and exporters from within the EU (mainly Germany, France, Italy, Great Britain, Spain, Finland, and the Netherlands, which make up 50 percent of total Polish food imports) are the main competitors for U.S. food exporters. Dynamic growth among Polish producers and foreign direct investment in the Polish food industry have raised the diversity and quality of locally produced products. Even some iconic U.S. brands are produced in Poland. It should also be noted that Polish customers often prefer Polish products over imports. Many chains advertise the fact that they offer Polish vegetables or other products to increase sales.

Table 5: Examples of Polish Import of Consumer Oriented Products in 2018

Product category Total Poland's Imports	Main Suppliers by Percentage	Description of Market	Advantages and Disadvantages of Local Market
Tree Nuts (HS 0801 +0802 +200819) \$327 million	1. Turkey – 20% 2. Germany – 16% 3. Italy - 11% 4. U.S. – 10%	Turkey leads in supply of hazelnuts. Germany is a large re-exporter of nuts. U.S. is the leading supplier of almonds and pistachios.	Domestic production is minimal. Poland produces limited quantities of walnuts and hazelnuts.
Fish & Seafood (HS 03 + HS 16) \$2.0 billion	1. Norway – 46% 2. Sweden – 11% 3. Germany - 5% 8. U.S. – 3%	Norway's proximity and promotional efforts compete with other suppliers; U.S. holds strong position as a supplier of Alaska pollock and sockeye salmon.	Poland is world's number one salmon processor.
Wine (2204) \$334 million	1. Italy – 21% 2. U.S. – 14% 3. Germany – 13% 4. France – 11%	Italy remains a traditional wine supplier to Polish market. U.S. wines are increasingly popular, in part due to promotional activities conducted by the industry.	Domestic production is minimal. Poland's dynamic restaurant industry is an ideal partner for U.S. suppliers.

Peanuts (HS 1202) \$91 million	1. Argentina – 68% 2. Brazil – 19% 3. U.S. – 4%	Argentina and Brazil are Poland’s traditional suppliers; U.S. product is gaining in popularity when price competitive.	No local availability. Product in high demand from Poland’s food processing sector.
Dried Prunes (HS 081320) \$24 million	1. Chile – 72.28% 2. U.S. – 17% 3. Moldova - 2%	Chile has tariff advantage due to EU-Chile FTA. U.S. product is gaining popularity with local importers.	Limited local production.
Raisins (HS 080620) \$23 million	1. Turkey – 39% 2. Chile - 14% 3. Iran – 10% 13. U.S. – 1%	1-3 Price advantage.	No local availability. Polish snack sector is developing quickly.

Source: Trade Data Monitor

SECTION IV. BEST HIGH-VALUE PRODUCT PROSPECTS

Products in the market that have good sales potential

- Fish and Seafood: salmon, pollock, cod, lobster and other miscellaneous fish products
- Nuts: almonds, peanuts, pecans, pistachios, walnuts
- Wine and distilled spirits
- Highly processed ingredients: protein concentrates dextrin, peptones, enzymes, lecithin
- Dried & Processed Fruit: cranberries, prunes
- Fruit juice concentrates: Cranberry, prune
- Organic products

Products not present in significant quantities, but which have good sales potential

- Hormone-free beef
- High quality spices and mixes (Tex-Mex)
- Ingredients for the natural and healthy foods industry
- Vegetable fats for bakery industry

Products not present because they face significant boundaries

- Food additives not approved by the European Commission

SECTION V. KEY CONTACTS AND FURTHER INFORMATION

For additional information regarding the Polish market please contact:

The Office of Agricultural Affairs

Al. Ujazdowskie 29/31

00-540 Warsaw, Poland

Phone number: +48 22 504 23 36

E-mail: AgWarsaw@fas.usda.gov

Website: [Office of Agricultural Affairs Warsaw, Poland](#)

Appendix A. Additional contacts in Poland:

- [Polish Federation of Food Producers](#)
- [Association of Milk Producers](#)
- [Union of Producers of Meat Industry](#)
- [Association Polish Meat "POLSKIE MIĘSO"](#)

Other leading food processing companies in Poland:

[ARYZTA POLSKA Sp. z o.o.](#)

[COCA COLA HBC](#)

[CARGILL POLAND Sp. z o.o.](#)

[DANONE POLSKA Sp. z o.o.](#)

[FERRERO POLSKA Sp. z o.o.](#)

[FRITO LAY POLAND Sp. z o.o.](#)

[„GRANA” Sp. z o.o.](#)

[GRUPA MASPEX Sp. z o.o.. S.K.A.](#)

[HERBAPOL LUBLIN S.A.](#)

[JACOBS DOUWE EGBERTS PL Sp. z o.o.](#)

[MONDELEZ POLSKA S.A.](#)

[NESTLE POLSKA S. A.](#)

[NUTRICIA POLSKA Sp. z o.o.](#)

[ORANGINA SCHWEPES POLSKA](#)

[PEPSI-COLA GENERAL BOTTLERS POLAND Sp. z o.o.](#)

[RED BULL Sp. z o.o.](#)

[SM GOSTYŃ](#)

[SÚDZUCKER POLSKA S.A.](#)

[UNILEVER POLSKA S.A.](#)

[MARS POLAND Sp. z o.o.](#)

[Z.T. BIELMAR Sp. z o.o.](#)

[Z.T. KRUSZWICA S.A.](#)

[ŻYWIEC ZDRÓJ S.A.](#)

Attachments:

No Attachments