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**Report Highlights:**

Poland is Central and Eastern Europe's largest market for food and beverage products. With its population of over 38 million people, Poland is a growing and viable market for U.S. food and agricultural products. Following the COVID-19 outbreak in early 2020 and subsequent control measures, food and beverage distribution and consumer demand changed dynamically. While Poland's hospitality and restaurant sectors have struggled since the COVID outbreak, the food retail sector, especially its on-line delivery platforms, have surged. According to food sector experts, most businesses will start to recover from the pandemic in 2022. Poland's total 2020 imports of food and agricultural products were valued at over \$29 billion, with U.S. imports accounting for \$506 million. U.S. products with strong sales potential include fish and seafood, distilled spirits, wine, tree nuts, dried fruit, and innovated food ingredient products.

## Market Fact Sheet: Poland

### Executive Summary

Poland is the largest market for food and beverages in Central and Eastern Europe. With its population of over 38 million people, it is an attractive and growing market for U.S. food and agricultural products. Poland's 2020 Gross Domestic Product (GDP) decreased by 2.7 percent following the COVID-19 pandemic, marking Poland's first negative GDP growth since 1991. COVID-19 and the following control measures negatively affected the hospitality and restaurant sectors. In 2020, Poland imported nearly \$29 billion in food, agricultural, and fish and seafood products. U.S. imports of these products were valued at \$506 million. U.S. products with strong sales potential in Poland include fish and seafood, wine, nuts, dried fruit, distilled spirits, highly processed ingredients, and functional ingredients.

### Imports of Consumer-Oriented Products

Total 2020 Polish imports of consumer-oriented food products were nearly \$16 billion, with U.S. imports accounting for \$251 million. Increasingly sophisticated Polish consumers value more diverse food products. Imports are rising steadily to cater to such demands and compensate for Poland's seasonal production.

### Food Processing Industry

Poland's food processing industry is Central and Eastern Europe's largest. It is the sixth largest in the European Union (EU). In 2020, the combined food processing industry accounted for about six percent of Poland's \$594 billion GDP. The most important sectors in value terms were meat, dairy, beverage, confectionary baking, and processed fruit and vegetables. Since early 1990s, many multinational food processors like Danone, Heinz, Unilever, Mondelez, and Nestle have expanded their operations into Poland.

### Food Retail Industry

The distribution system for consumer-ready food products, as with all other branches of the Polish economy, has evolved rapidly and is one of the most dynamic areas of the Polish economy. The retail sector is diverse and ranges from small family-operated stores, through medium-sized stores to

large distribution centers comparable with those found in the United States. Most hypermarkets and large discount stores are foreign owned; while traditional small-scale stores are predominantly Polish. The COVID-19 pandemic spurred rapid development of retail sector's on-line delivery platforms.

#### Quick Facts CY 2020

Imports of Consumer-Oriented Products  
\$16 billion (U.S. imports \$251 million)

#### List of Top 10 Growth Products in Poland

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

#### Top 10 Polish Retailers

- |                     |             |
|---------------------|-------------|
| 1) Jeronimo Martins | 2) Lidl     |
| 3) Eurocash         | 4) Auchan   |
| 5) Netto            | 6) Kaufland |
| 7) Carrefour        | 8) Rossmann |
| 9) Zabka            | 10) Dino    |

#### GDP/Population

Population (millions): 38.4  
GDP (billions USD): 594  
GDP per capita (USD): 33,739

### SWOT Analysis

<i>Strengths</i>	<i>Weaknesses</i>
Central Europe's most populous country with domestic consumer market of over 38 million people.	U.S. products face high transportation costs compared to many European competitors.
<i>Opportunities</i>	<i>Threats</i>
Market niches exist for food ingredients, notably dried fruit, tree nuts, and functional ingredient products.	Foreign investments in food processing result in diverse and high-quality local products which compete with U.S. imports.

**Data and Information Sources:** Polish Central Statistical Office data published by Trade Data Monitor, World Bank

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## Executive Summary:

### SECTION I. MARKET OVERVIEW

Poland is a modern European country with a population of over 38 million people. Poland's 2020 Gross Domestic Product (GDP) contracted by 2.7 percent following the COVID-19 pandemic, marking Poland's first negative GDP growth since 1991. Following the COVID-19 outbreak and subsequent control measures, including lockdowns, significant portions of halted Poland's economy were negatively affected. The pandemic's adverse effects on the hospitality and restaurant sectors have been especially pronounced. Poland's food retail sector has boomed during the pandemic, which drove many retailers to quickly overhaul their on-line delivery platforms to meet strong demand. 2021 real GDP growth is expected to increase four percent as country slowly recovers from COVID-19's negative affect and internal and external demand increase.

*Table 1: Basic Economic Indicators*

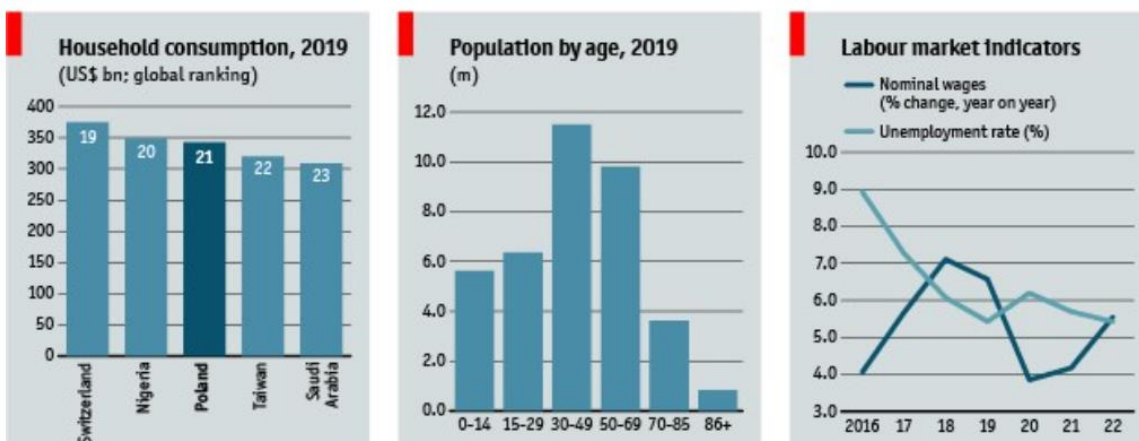
Poland	2020 (a)	2021 (b)	2022 (b)
<b>Real GDP growth</b>	-2.7	4.0	4.5
<b>Consumer price inflation</b>	3.4	3.2	2.9
<b>Unemployment rate</b>	5.9	6.5	6.0
<b>Exchange rate Zł: U.S. \$</b>	3.9	3.9	3.9

Source: (a) actual Poland's Central Statistical Office (CSO,) (b) forecasts  
Economist Intelligence Unit

During 2015-2020, household incomes increased by 10 percent. Government of Poland (GOP) social-safety net initiatives, such as the Family 500+ Program, also provide additional income to millions of families. In 2020, the GOP increased the monthly minimum wage by 15.6 percent to Polish Zloty (PLN) 2,600 (\$705), which also contributes to rising consumer spending. Another PLN 2,800 (\$756) minimum wage increase is planned for 2021.

Polish households spend over 27 percent (72 percent of the EU-27 average) of disposable household income on food and beverages purchases. There are considerable income disparities between the richest and poorest Poles, with the top 20 percent earning close to five times as much as the lowest 20 percent.

*Chart 1. Poland CY2019: Household consumption, Population by age, Labor Market*



Source: The Economist Intelligence Unit

Over 60 percent of Poland’s population lives in urban areas and its median age is 39 years. Family sizes are becoming smaller, with a current three-person average among Poland’s 13 million households. The typical Polish family eats meals together and generally buys enough groceries to last 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 milk, wine, and horticultural products increased slightly in 2019, while consumption of meat and beer decreased slightly.

**Table 2: Polish Per Capita Market Basket Consumption 2005-2019**

Consumer goods	Unit of measure	2005	2010	2015	2017	2018	2019
Cereal grains (as processed products)	kg	119	108	103	102	101	101
Potatoes	kg	126	110	100	96.0	95.0	92.0
Vegetables	kg	110	106	105	105	106	103
Fruit	kg	54.1	44.0	53.0	53.0	54.0	58.0
Meat and edible offal	kg	71.2	73.7	75.0	74.6	80.2	75,9
Animal edible fats	kg	6.6	6.3	5.8	6.5	6.6	6.0
Butter	kg	4.2	4.3	4.5	4.5	4.7	5.4
Cow milk	l	173	189	213	218	221	225
Sugar	kg	40.1	39.9	40.5	42.9	47.0	42.1
Vodkas, liqueurs, other spirit beverages in terms of 100% alcohol	l	2.5	3.2	3.2	3.3	3.3	3.7
Wine and honey wine	l	8.6	6.9	6.3	6.2	6.0	6.2
Beer from malt	l	80.7	90.2	99.1	98.5	100.5	97.1

Source: CSO data

Polish consumers tend to view the United States positively and consider U.S.-origin products to be high quality. Many Polish consumers tend to prefer Polish products over imports, and chains commonly advertise that they offer Polish products to increase sales. U.S. products are often shipped to third-country EU ports of entry and are re-exported to Poland without additional tariffs or regulatory requirements, besides language labeling.

**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 dense, major international 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 market access for some U.S. products is not affected by EU trade barriers, some goods (e.g. poultry, beef, fresh horticultural products, etc.) are limited due to EU Sanitary and Phytosanitary Standards barriers.

## SECTION II – EXPORTER BUSINESS TIPS

The Polish market offers good opportunities for U.S. exporters of consumer-oriented 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 Polish/EU 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 conducting 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 commerce, but translation services may also be necessary. It is customary for businesspeople to shake hands upon meeting.

Polish business culture can be somewhat conservative and first names are best avoided, at least initially, in a professional context. Address people with *Pan* (Mr.) and *Pani* (Ms. or Mrs.) followed by their surname. Relationships often develop to the point when first names can be comfortably used. 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, including jackets and ties for men and suits or dresses for women.

## SECTION III - IMPORT FOOD STANDARDS & REGULATIONS AND IMPORT PROCEDURES

Poland follows EU regulations governing food and agricultural imports specified within [General Food Law EC/178/2002](#). For details on EU regulations, please see the U.S. Mission to the EU's Office of Agricultural Affairs' most recent [EU Food and Agricultural Import Regulations and Standards](#) (FAIRS) report. For additional information regarding import food standards and import procedures which are not yet harmonized with the EU legislation please refer to [Poland's FAIRS](#) report.

The EU is a customs union and all Member States apply the same [import duties](#) on goods imported from outside the EU based on tariff classification of goods and the customs value. Inbound products at ports of entry are generally stored in bonded warehouses or at a freight forwarder's facility. Product storage and removal from storage are conducted under the supervision of a customs officer, who also ensures that all documents accompanying the products comply with EU and Polish requirements. Customs officers will also inspect products, they may take samples to check product ingredients (e.g. sugar, alcohol) to assess correct customs duty, and then issue the import duty invoice. Food safety inspectors at the port of entry storage do not routinely check packaged foods. Once imported goods are cleared in one Member State, they are free to move throughout the EU. That means that U.S. products imported into Poland via another EU Member State are not also subjected to additional import procedures or customs tariffs at the Polish border.

## SECTION IV – MARKET SECTOR STRUCTURE AND TRENDS

### Wholesale Sector

**COVID-19 impact:** The pandemic has led Polish wholesale stakeholders to shift transportation and logistics operation to socially-distant clusters, to minimize contact while guaranteeing supplies. Control measures have significantly reduced deliveries to hotels and restaurants, which are either closed or are operating on a limited basis. Wholesale deliveries to retail outlets have increased but are not enough to compensate for lost sales to the food service and hospitality sectors. According to local food industry experts, businesses will only truly start to recover from COVID-19 in 2022.

**Sector structure and trends:** Poland's wholesale market structure has five categories: (1) national chains, (2) regional chains, (3) regional wholesalers, (4) local wholesalers, and (5) 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.

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 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 in the long term. 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

**COVID-19 impact:** Poland's retail sector has undergone significant changes since the outset of the pandemic. Stores continue to operate under strict sanitary requirements and the number of shoppers is limited. Leading retailer have introduced or advanced their on-line shopping platforms with "click and collect" services and home delivery options. During initial weeks of mandated self-isolation in spring 2020, retailers reported a demand surge for nonperishable staples, such as flour, rice, legumes, pasta,

and canned goods. After the consumers stockpiled basic products, they shifted purchasing toward more nonessential items, including alcoholic beverages, snacks, and home baking ingredients.

**Sector structure and trends:** Poland's consumer-ready food distribution system is a dynamic and fast growing segment of the Polish economy. The retail sector is much diversified. It ranges from small and medium-sized family-operated stores to large distribution centers. As incomes grow, Poles are becoming more fastidious buyers, which force retailers to pay more attention to product quality, customer service, store design, and making the shopping experience more pleasant and convenient. 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 decreasing sales. There are about 3.1 food stores per every 1,000 inhabitants.

Large retail chains control of as much as 70 percent of the Polish market. The largest retail chains in Poland include [Biedronka](#), [Lidl Polska](#), [Netto Polska](#), [Eurocash](#) (owner of Delikatesy Centrum, Lewiatan, Euro Sklep, ABC, Gama, Groszek), [Auchan Polska](#), [Kaufland Polska](#), and [Carrefour Polska](#). Market analysis shows that almost 30 percent of confectionary retail sales occur through small grocery retailers.

## **Food Processing Sector**

**COVID-19 impact:** During COVID-19 pandemic many Polish food processing facilities work in shifts to minimize contact while guaranteeing supplies. Poland's food industry contacts report that during the initial weeks of self-isolation in spring 2020, the Polish food processing sector adapted quickly regarding keeping sanitary measures high within production plants. Sufficient stocks allowed companies to adapt to rapid jumps in demand for nonperishable food items.

**Sector structure and trends:** The Polish food processing sector includes both domestic and international companies. Many small companies also operate horticultural, meat, and bakery processing plants throughout Poland. The largest food processing sectors are meat, dairy, and alcoholic beverages, followed by confectionery, food concentrates, sugar, fruits and vegetables, juices, and non-alcoholic beverages.

The Polish confectionary sector can be viewed as an example of how the Polish market has modernized. According to industry reports, about 42 percent of Poles consume at least one chocolate bar per day, and about 35 percent have one or more wafer bar. More Poles, particularly among the expanding middle classes, look for higher-end products. Confectionery has fared well even during the pandemic, as such products are seen as affordable indulgences.

Poland attracts foreign companies and foreign investors because of its healthy macroeconomic climate, a developed financial sector, and its well-educated, productive, and wage competitive labor force. Foreign investors have played a significant role in developing and modernizing the Polish food processing industry. Multinationals now account for over 70 percent of confectionery production, and own the largest breweries, meat processing plants, bottling plants, and horticultural processing plants. Coca-Cola, PepsiCo, Nestle, Mondelez, Smithfield, Danone, and Mars have significant production plants in Poland and American companies are among the largest foreign investors in the food processing sector. These stakeholders produce a broad range of high-quality products consumer-ready, which often

compete directly with locally-available U.S. consumer-ready exports. Polish processors are increasingly interested in sourcing fish and seafood products, bakery ingredients, tree nuts, dried fruit, flavoring agents and aromas, sweeteners, food additives, food coloring agents, and enzymes.

**HRI Sector**

**COVID-19 impact:** The Polish HRI sectors were adversely affected by COVID-19. Over 90 percent of HRI stakeholders report supply disruptions, cash flow issues, and limited clientele given the mandated take-out and delivery only requirements. Many restaurants have shut down given the situation. On May 28, 2021, Polish HRI resumed operations with COVID-19 safety precautions. Sector experts envisage that the HRI sector will truly start to recover in 2022.

**Sector structure and trends:** According to a survey conducted by leading Polish cash-and-carry operators in 2018, 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. 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. International cuisines are gaining in popularity due to increasing interest and demand by well-traveled Poles. 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.

**SECTION V. AGRICULTURAL and FOOD IMPORTS**

Poland’s total 2020 imports of food and agricultural products were valued at over \$28 billion, with U.S. trade accounting for \$506 million, a 1.4 percent decline from 2019. U.S. products most negatively affected by changing COVID-related demand dynamics include sockeye and pacific salmon, and peanuts. Polish customs data also shows that U.S. origin wine, bourbon, pistachios, cranberries, pet food, and prune imports have increased during the pandemic.

*Table 4: Polish CY 2020 Agriculture, Consumer-Oriented and Fishery Imports (\$ million)*

POLAND	2020
Agricultural Total, total imports	28,890
Agricultural Total, imports from United States	506 (1.7%)
Consumer-Oriented Agricultural Products, total imports	15,801
Consumer-Oriented Agricultural Products, imports from United States	251 (1.5%)
Fish and Seafood Products, total imports	2,432
Fish and Seafood Products, imports from United States	75 (2.8%)

*Source: CSO trade data published by TDM*

2020 Polish consumer-oriented food imports reached upwards of \$15 billion, with U.S. products accounting for record \$251 million. Domestic products and products from other EU countries, which make up over 50 percent of total food imports, are the main competitors for U.S. exports. The growth



of Poland’s food processing industry has led to a wider variety of locally-made products, to include even Polish-produced iconic American products.

Polish fish and seafood imports continued to grow in 2020 and reached over \$2.3 billion, with a \$75 million (2.8 percent market share) originating from the United States. Poland is now the world’s largest salmon processor.

**Table 5. Sample Polish CY2020 food, agricultural and fish imports**

<b>Product category Total Poland’s Imports</b>	<b>Main Suppliers</b>	<b>Strengths of Key Suppliers</b>	<b>Advantages and Disadvantages of Local Suppliers/Market Situation</b>
<b>Fish &amp; Seafood (HS 03 + HS 160420, 1603,1605)  \$2.4 billion</b>	1. Norway – 51.3% 2. Russia – 6% 3. China – 5.4% 4. Sweden – 5.3% <b>7. United States – 3.1%</b>	Norway’s proximity as well as intensive promotional efforts create competition for other suppliers. Trade outreach by Russian and Chinese suppliers enabled them to capture additional market share in 2020. Alaska pollock and sockeye salmon suppliers also continued to deliver significant volumes.	Poland is world’s number one salmon processor.
<b>Tree Nuts (HS 0801 +0802 +200819)  \$362 million</b>	1. Germany – 18.5% <b>2. United States – 15.4%</b> 3. Turkey – 12% 4. Vietnam – 11.4%	Germany is a large re-exporter of nuts. U.S. is the leading supplier of almonds and pistachios. Turkey leads in hazelnuts.	Domestic production is minimal. Poland produces limited quantities of walnuts and hazelnuts.
<b>Whiskey/Bourbon (HS 220830)  \$246 million</b>	1. Great Britain - 62% <b>2. United States – 14%</b> 3. Spain – 7%	Great Britain remains the largest whisky supplier to Poland. U.S. whiskey is becoming increasingly popular.	Retail sales increase, while Poland’s restaurant industry suffers from the impact of COVID-19.
<b>Wine (2204)  \$370 million</b>	1. Italy – 25.6% 2. Germany – 10.9% 3. France – 10.8% <b>4. United States – 10.6%</b>	Italy is a traditional wine supplier to Poland. U.S. wines are increasingly popular, in part due to successful promotional activities conducted by the industry.	Domestic production is minimal. Retail sales are up, while Poland’s restaurant industry suffers under COVID-19 control measures.
<b>Mixtures of Odoriferous substances</b>	1. Germany – 23.7% 2. Ireland – 16.5% <b>4. United States – 12%</b>	Germany’s proximity as well as intensive outreach to Polish food processors	Continued food processing development will

<b>(HS 3302)</b> <b>\$610 million</b>		create strong competition for other suppliers.	drive increased demand for this category.
<b>Peanuts (HS 1202)</b> <b>\$102 million</b>	1. Argentina – 70.6% 2. Brazil – 20% <b>4. United States – 2%</b>	Argentina and Brazil are Poland’s traditional suppliers. U.S. products are gaining popularity when price competitive.	No local availability. Product in high demand from Poland’s food processing sector.
<b>Prunes (HS 081320)</b> <b>\$21 million</b>	1. Chile – 64% <b>2. United States – 23%</b> 3. Argentina – 2.4%	Chilean prunes have tariff advantages based on EU-Chile FTA. U.S. prunes are increasingly popular among Polish importers.	Limited local production. Polish prunes are mostly smoked used in home cooking.
<b>Raisins (HS 080620)</b> <b>\$32 million</b>	1. Turkey – 24% 2. Chile – 18% 3. Germany – 16.5% <b>10. United States – 2.5%</b>	Top third-country suppliers enjoy significant price advantage over U.S. Germany is a traditional re-exporter for the Polish market.	No local availability. Polish snacking sector is developing dynamically.
<b>Peptones &amp; Derivatives (HS 350400)</b> <b>\$42 million</b>	1. Belgium – 21% 2. The Netherlands – 15% 3. China – 12.5% <b>9. United States – 5%</b>	Top suppliers enjoy proximity, availability, and price advantages.	Products are mostly imported. High demand by growing nutritional supplement production sector.

Source: CSO data published by TDM

## BEST HIGH-VALUE PRODUCT PROSPECTS

### Products in the market that have good sales potential

- Wine
- Distilled spirits
- Fish and Seafood: salmon, pollock, cod, lobster, and other fish and seafood products
- Tree nuts: almonds, pistachios, peanuts, pecans, walnuts
- Dried and Processed Fruit: cranberries, prunes
- Highly processed ingredients: protein concentrates dextrin, peptones, enzymes
- 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 (*e.g.* Tex-Mex)
- Ingredients for products perceived as ‘natural’ and ‘healthful’

### Products not present because they face significant boundaries

- Food additives not approved by the European Commission

## **SECTION VI. KEY CONTACTS AND FURTHER INFORMATION**

For additional information regarding the Polish market please contact:

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Key Polish Food Processing Associations:

- [Polish Federation of Food Producers](#)
- [Association of Milk Producers](#)
- [Union of Producers of Meat Industry](#)
- [Association Polish Meat "POLSKIE MIESO"](#)
- [The Polish Association of Fish Processors](#)

### **Attachments:**

No Attachments