

COUNTRY PROFILE REPORT OF ITJ DIVISION, DGCIS INDIA-POLAND BILATERAL TRADE RELATIONS

INTRODUCTION & BRIEF ECONOMIC OVERVIEW

1. The Republic of Poland is situated in Eastern Europe, bounded to the north by the Baltic Sea and an enclave of the Russian Federation, to the north-east by Lithuania, to the east by Belarus, to the south-east by Ukraine, to the west by Germany and the south by Czech Republic and Slovakia. Poland is a member of the UN, WTO, BIS, the Council of Europe, NATO, OECD, CEFTA, the Central European Initiative, Council of the Baltic Sea States, IOM, the Antarctic Treaty, and associate partner of the WEU and an associate member of the EU. Poland became a member of NATO on 12th March 1999, and an EU member in 2004. A European Commission report endorsed in December 1999 named Poland (along with Hungary) as the country from central and eastern Europe most likely to be the first to join the EU.

2. Poland is a social market economy and is the regional economic power for East-Central Europe. As of 2023, the country's gross domestic product (GDP) is the sixth largest in the European Union by nominal standards, and the fifth largest by purchasing power parity. As per available report of IMF Executive Board Article IV Consultation 2024 with the Republic of Poland January 21, 2025, Economic growth is estimated to have accelerated in 2024 to 2.8 percent, driven by a rebound in domestic demand, mainly from private consumption rising due to strong nominal wage growth and lower inflation. This is partially offset by net exports becoming a drag on growth as higher imports from increased consumption outpace exports hindered by weak Euro Area demand. The outlook is positive, further supported by expected absorption of Next Generation EU (NGEU) funds, with growth projected at around 3.5 percent in 2025 and 2026. Over the medium-term, as the impact of NGEU funds absorption unwinds, growth is expected to moderate to slightly below 3 percent largely due to population ageing.

A snapshot of Poland's select economic indicators is as under.

Table 1

Republic of Poland: Selected Economic Indicators, 2022–29								
	2022	2023	2024	2025	2026	2027	2028	2029
			Projections					
Activity and prices								
GDP (change in percent) 1/	5.3	0.1	2.8	3.5	3.3	3.1	2.8	2.7
Output gap (percent of potential GDP)	2.3	-0.9	-1.0	-0.4	-0.2	0.0	0.0	0.0
Headline CPI inflation (percent)								
Average	14.4	11.4	3.8	4.6	3.5	2.9	2.5	2.5
End of period	16.6	6.2	5.1	3.7	3.3	2.5	2.5	2.5
Unemployment rate (average, according to LFS)	2.9	2.8	2.9	3.1	3.2	3.2	3.4	3.5
Public finances (percent of GDP) 2/								
General government net lending/borrowing	-3.4	-5.3	-5.9	-5.6	-4.9	-4.1	-3.6	-3.5
General government cyclically-adjusted balance	-4.6	-4.8	-5.4	-5.4	-4.8	-4.1	-3.7	-3.4
General government primary	-3.1	-2.7	-3.0	-2.9	-2.2	-1.5	-1.1	-0.9

	balance								
	General government debt	48.8	49.7	54.1	57.8	61.3	62.5	63.2	63.8
	Balance of payments								
	Current account balance (percent of GDP)	-2.3	1.8	0.3	-0.3	-0.7	-0.9	-1.2	-1.5
	Total external debt (percent of GDP)	53.2	48.8	45.1	43.9	42.9	41.9	41.0	40.1
	<i>Memorandum item:</i>								
	Nominal GDP (billion zloty)	3100.8	3401.6	3601.6	3898.7	4169.8	4409.6	4646.5	4889.1

Sources: Polish authorities; and IMF staff calculations.

1/ Real GDP according to 2020 base year.

2/ According to ESA2010.

FOREIGN TRADE

3. As per recent available inputs on WITS (World Integrated Trade Solution), the five major merchandise export partners of Poland are Germany, Czech Republic, France, United Kingdom and Italy. On the other hand five major import partners of Poland are Germany, China, Italy, United States, and Netherlands. Major five exported goods of Poland are (i)Electric accumulators, nes; (ii) Diesel powered trucks with a GVW not exceeding (iii)Cigarettes containing tobacco, (iv) Television receivers including video monitors and (v)Parts and accessories of bodies nes for motor v. On the other hand major five imported goods are (i) Petroleum oils and oils obtained from bituminous, (ii)Petroleum oils, etc, (excl. crude); preparation, (iii)Transmission apparatus, for radioteleph incorpo, (iv)Automobiles nes including gas turbine powered and (v)Other medicaments of mixed or unmixed products.

4. Poland's total exports globally in 2020 were of the order of USD 254,169 million. It has scaled upto USD 380,333 million in 2024 with 25.05% increase recorded in 2021. During the period from 2020 to 2024, the annual average compound rate of growth of exports was 10.60%.

5. Poland's total imports in 2020 were of the order of USD 254,660 million and which has touched USD 379,496 million mark in 2024. During the period from 2020 to 2024, the annual average compound rate of growth of imports was 10.49%.

6. Poland runs an overall Balance of Trade deficit from 2020 to 2022 but in FY2023 trade surplus has scaled upto USD 10,532 million. During the period from 2020 to 2024, the annual average compound rate of growth of total volume of trade was 10.54%.

A snapshot of Poland's overall Trade Statistics is presented in Table 2 and Figure 1 below.

TABLE - 2

POLAND'S TOTAL EXPORTS AND IMPORTS, VOLUME OF TRADE AND BALANCE OF TRADE BETWEEN 2020 TO 2024

(Figures in USD Million)

Year	Exports	Percentage Growth in Exports	Imports	Percentage Growth in Imports	Volume of Trade	Percentage Growth in Vol. of Trade	Balance of Trade
2020	254169		254660		5,08,829		-491.40143
2021	317832	25.05	335451	31.72	6,53,283	28.39	-17619.197
2022	365751	15.08	386969	15.36	7,52,720	15.22	-21218.398
2023	381933	4.42	371401	-4.02	7,53,334	0.08	10531.9381
2024	380333	-0.42	379496	2.18	7,59,829	0.86	837.117327

Annual Compound Growth Rate

10.60

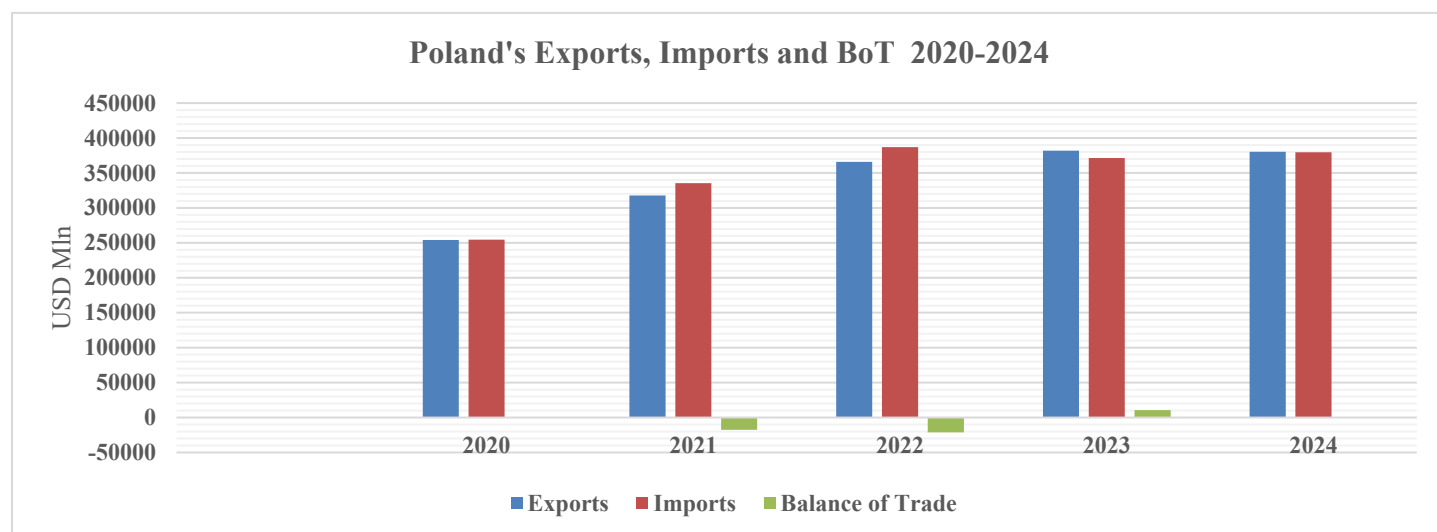
10.49

10.54

NOTE : Figures relate to calendar year (January to December)

SOURCE : UN COMTRADE PUBLICATION

Figure 1



BILATERAL TRADE WITH INDIA

Merchandise Trade

7. Poland continued to be India's largest trading & investment partner in Central & Eastern Europe. Over the period 2010-2020, the total bilateral trade with Poland witnessed an increase of 107.9% i.e. from US\$ 1.32billion in 2010 to US\$ 2.73billion in 2020. The balance of trade continued to remain largely in favour of India in 2023 as well. Poland was ranked 37th as an exported destination in FY 2024-25. India exported 0.60 % of its total export value to Poland in FY 2024-25. In the same financial year, imports from Poland accounted for 0.18% of India's total import value. Poland was the 54th largest import partner of India in FY 2024-25. Almost 0.29% of India's international trade value was between India and Poland, as recorded in FY 2024-25, as per DGCI&S data.

8. Indo- Poland total volume of bilateral trade in FY 2020-21 was of the order of USD 2,359.02 million. It increased to USD 3,908.65 million in FY 2024-25. The annual compound growth rate of total volume of trade during the period from 2020-21 to 2024-25 was approximately 13.46%.

9. It appears from the available figures that between 2020-21 and 2024-25, India had a surplus Balance of Trade with Poland. Exports from India to Poland increased by a maximum of 64.82% in FY 2021-22 over FY 2020-21. The annual average compound growth rate of Exports was 12.19%. On the other hand, imports from Poland to India increased by 59.24% in FY 2021-22 over FY 2020-21. During the period from 2020-21 to 2024-25, the annual average compound growth rate of imports was 16.25%.

A snapshot of India's merchandise trade statistics with respect to Poland is presented in **Table 3** **Figure 2**.

TABLE - 3
INDIA'S MERCHANDISE EXPORTS & IMPORTS w.r.t. POLAND
FY 2020-2021 to 2024-2025

(Value in USD Million)

Year	Exports from India to Poland	Percentage Growth in Exports	Imports from Poland to India	Percentage Growth in Imports	Volume of Trade	Percentage Growth in Vol. of Trade	Balance of Trade
2020-21	1652.67		706.35		2359.02		946.32
2021-22	2723.94	64.82	1124.79	59.24	3848.73	63.15	1599.15
2022-23	2323.11	-14.72	1366.4	21.48	3689.51	-4.14	956.71
2023-24	2434.84	4.81	1504.29	10.09	3939.13	6.77	930.55
2024-25	2618.56	7.55	1290.09	-14.24	3908.65	-0.77	1328.47

**Annual
Compound
Growth
Rate**

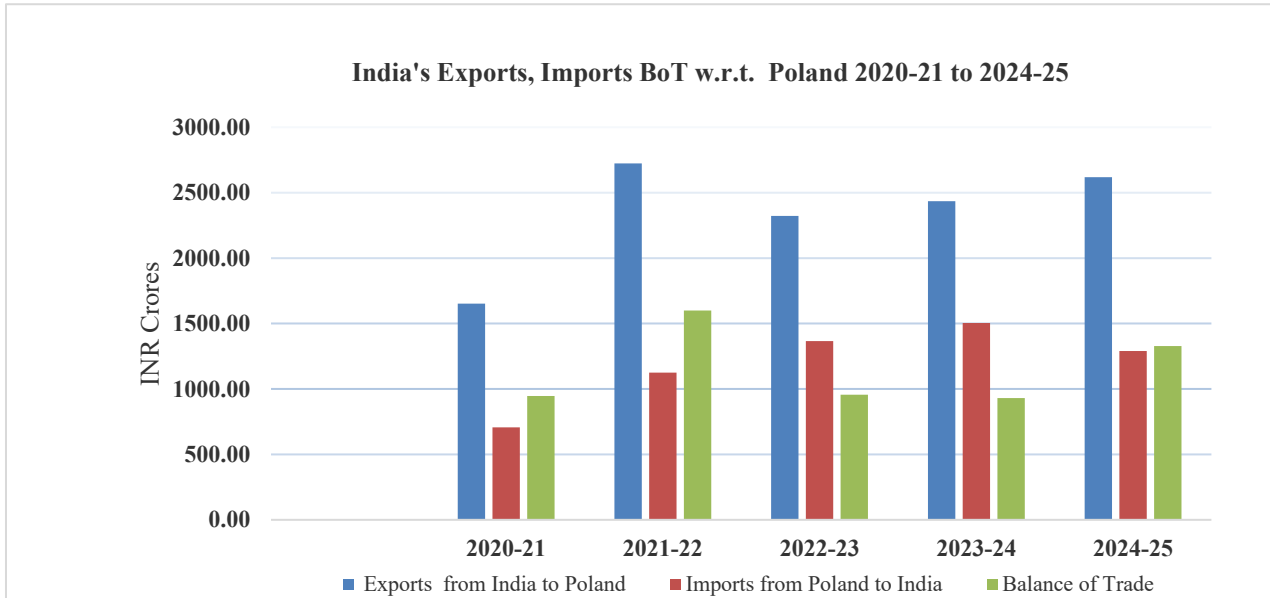
12.19

16.25

13.46

NOTE : Figures relate to Financial Year (April to March)

Figure 2



10. Additionally, from Tables 4 & 5 presented at Annexure-II below the following are stated:

a. **Electric Machinery and Equipments, RMG Cotton Incl. Accessories and Iron and Steel** are occupying the top three slots in India's exports to Poland in FY 2024-25. **Electric Machinery and Equipments** occupied 10.37% share of export value India to Poland.

b. **Coal, Coke and Briquettes ETC, Iron and Steel and Aluminium, Products of Aluminium** are the three major commodities in India's imports list from Poland in the year 2024-25, India imported a significant amount of **Coal, Coke and Briquettes ETC** from Poland with a share of 20.85% of total imports from Poland recorded in 2024-25.

TABLE -4

**INDIA'S MAJOR ITEMS OF MERCHANDISE EXPORTS TO POLAND
2020-2021 TO 2024-2025 AND THEIR GROWTH RATES**

(Value in USD Million)

Sl. No.	Name of the Merchandise Commodities	Value of Exports					Annual Growth Rates			
		2020-21	2021-22	2022-23	2023-24	2024-25	21-22 over 2020-21	22-23 over 2021-22	23-24 over 2022-23	24-25 over 2023-24
1	Electric Machinery And Equipments	202.5	537.53	320.54	258.72	271.47	165.45	-40.37	-19.29	4.93
	Share in total export	12.25	19.73	13.80	10.63	10.37				
2	RMG Cotton Incl. Accessories	92.62	142.50	140.39	140.07	219.05	53.85	-1.48	-0.23	56.39
	Share in total export	5.60	5.23	6.04	5.75	8.37				
3	Iron And Steel	142.49	440.41	150.81	275.61	180.82	209.08	-65.76	82.75	-34.39
	Share in total export	8.62	16.17	6.49	11.32	6.91				
4	Drug Formulations, Biologicals	54.19	70.68	100.66	118.19	131.59	30.43	42.42	17.42	11.34
	Share in total export	3.28	2.59	4.33	4.85	5.03				
5	Products Of Iron And Steel	58.62	102.65	111.44	107.15	95.55	75.11	8.56	-3.85	-10.83
	Share in total export	3.55	3.77	4.80	4.40	3.65				
6	RMG Of Other Textile Matrls.	45.2	59.11	58.49	65.67	94.96	30.77	-1.05	12.28	44.61
	Share in total export	2.73	2.17	2.52	2.70	3.63				
7	Other Misc. Engineering Items	46.64	55.61	57.44	63.87	83.85	19.23	3.29	11.19	31.28
	Share in total export	2.82	2.04	2.47	2.62	3.20				
8	Auto Components/Parts	45.01	57.08	56.36	68.86	77.58	26.82	-1.26	22.18	12.66
	Share in total export	2.72	2.10	2.43	2.83	2.96				
9	Residul Chemicl And Allied Prod.	39.54	44.71	52.43	56.63	75.43	13.08	17.27	8.01	33.20
	Share in total export	2.39	1.64	2.26	2.33	2.88				
10	Ceramics And Allied Products	51.53	55.17	65.22	75.36	72.24	7.06	18.22	15.55	-4.15
	Share in total export	3.12	2.03	2.81	3.10	2.76				
	Total export to POLAND	1652.67	2723.94	2323.11	2434.84	2618.56	64.82	-14.72	4.81	7.55

NOTE : Figures relate to each Financial Year (April to March)

SOURCE : DGCI&S, M/o C&I

TABLE -5
INDIA'S MAJOR ITEMS OF MERCHANDISE IMPORTS FROM POLAND
2020-2021 TO 2024-2025 AND THEIR GROWTH RATES

(Value in USD Million)

Sl. No.	Name of the Merchandise Commodities	Value of Imports					Annual Growth Rates			
		2020-21	2021-22	2022-23	2023-24	2024-25	21-22 over 2020-21	22-23 over 2021-22	23-24 over 2022-23	24-25 over 2023-24
1	Coal, Coke And Briquittes ETC	248.82	492.50	439.13	354.56	269.03	97.93	-10.84	-19.26	-24.12
	Share in total imports	35.23	43.79	32.14	23.57	20.85				
2	Iron And Steel	36.85	35.07	165.83	206.76	131.03	-4.83	372.85	24.68	-36.63
	Share in total imports	5.22	3.12	12.14	13.74	10.16				
3	Aluminium, Products Of Aluminium	18.44	60.47	64.64	71.06	109.90	227.93	6.90	9.93	54.65
	Share in total imports.	2.61	5.38	4.73	4.72	8.52				
4	Other Rubber Prod. Except Footwear	31.13	71.03	81.39	46.04	77.69	128.17	14.59	-43.43	68.75
	Share in total import	4.41	6.31	5.96	3.06	6.02				
5	Electric Machinery And Equipments	38.37	34.53	44.88	108.16	64.60	-10.01	29.97	141.00	-40.28
	Share in total import	5.43	3.07	3.28	7.19	5.01				
6	Residual Chemicals And Allied Prods.	13.37	42.38	43.34	43.47	52.14	216.98	2.27	0.30	19.94
	Share in total import	1.89	3.77	3.17	2.89	4.04				
7	Other Misc.Engineering Items	27.83	41.09	44.46	65.70	42.90	47.65	8.20	47.77	-34.71
	Share in total import	3.94	3.65	3.25	4.37	3.33				
8	ELECTRONICS INSTRUMENTS	9.80	18.01	23.30	31.95	41.92	83.78	29.37	37.12	31.20
	Share in total import	1.39	1.60	1.71	2.12	3.25				
9	COPPER AND PRDCTS MADE OF COPR	19.35	20.02	22.24	20.09	30.74	3.46	11.09	-9.67	53.02
	Share in total import	2.74	1.78	1.63	1.34	2.38				
10	Indl. Machinery For Dairy Etc.	19.71	30.00	28.07	40.23	29.09	52.21	-6.43	43.32	-27.69
	Share in total import	2.79	2.67	2.05	2.67	2.25				
	Total import from POLAND	706.35	1124.79	1366.40	1504.29	1290.09	59.24	21.48	10.09	-14.24

NOTE : Figures relate to each Financial Year (April to March)

SOURCE : DGCI&S, M/o C&I

“NOTICE”

