भारत का राजदूतावास, वार्सा
Embassy of India, Warsaw
***

India-Poland - Economic & Commercial Brief

Poland has been Europe's most dynamic economy in recent years. It maintains a steady GDP growth rate in recent years (around 5% in 2022, 0.2% in 2023, 2.9% in 2024 and 3.6% in 2025) and the size of Economy is around US$ 980 billion (2025), and US$ 28,500-30,000 per capita (2025). At the end of 2025, the registered unemployment rate was 5.7%. Poland's total global export is US$ 411.7 billion (2025), and import around US$ 420.4 billion. Sectoral contribution is 57.5% from services, 30.1% from industry and 2.8% from agriculture. In 2025, annual inflation averaged around 4-4.5%. The Polish economy continues to face several major challenges, including a shortage of skilled labor, persistently elevated inflation, and transition pressures stemming from EU carbon-emission and climate regulations—particularly impacting the coal and mining sectors. Poland's top five major trading partners are primarily European nations, Germany, China (with trade deficit of US $ 62.5 billion), France, Czech Republic and Italy.

Poland, still a Euro-centric country with around 70% of its global trade to European region, is the 6th largest economy within the EU and India's largest trade partner and export destination in the Central European region, with growing bilateral trade, mostly in India's favor.

Hon'ble Prime Minister of India visited Poland during 21-22 August, 2024. During the visit, Hon'ble PM held delegation level talks with the Hon'ble Prime Minister of the Republic of Poland and both the leaders decided to upgrade the relationship to a 'Strategic Partnership'. They engaged in wide-ranging discussions on various aspects of the bilateral partnership, including trade and investment, and science and technology. The two leaders agreed that there were significant opportunities available for economic and business collaboration in sectors such as food processing, urban infrastructure, water, solid waste management, electric vehicles, green hydrogen, renewable energy, Artificial Intelligence, mining and in clean technologies. Both sides agreed to formulate and execute a five-year Action Plan that will guide bilateral collaboration in the years 2024-2028 across the priority areas that included Trade and Investment, Climate, Energy, Mining, Science and Technology, Transport and Connectivity and India-EU.

Bilateral Trade:

2. In 2025, bilateral trade reached US$ 6.36 billion recording a growth of around 9.6% over the previous year (2024). [Indian exports – US$ 4.83 billion; Indian imports – US$ 1.53 billion]. List of top 10 traded items is at 'Annexure-I'. The latest bilateral trade figures for the last three years are as under:

(in billion US$)

	2022	2023	2024	2025	2026 (Jan-June)
Indian Exports	4.13	3.97	4.36	4.83	2.411
Indian Imports	1.48	1.75	1.46	1.53	0.794
Total	5.61	5.72	5.82	6.36	3.205

(Source:Central Statistical Office of Poland)

Investments:

3. Indian investments in Poland are valued at over US$ 3 billion, which comprises companies such as ArcelorMittal, Videocon, Escorts, Strides Arcolab, Ranbaxy, Essel Propack, KPIT Cummins, Zensar Technologies Ltd, Tata Consultancy Services, HCL Technologies Ltd, Infosys and Wipro, Jindal Stainless, Berger Paints India, UFLEX and Glenmark Pharmaceuticals, Rishab Instruments (acquired Lumel), MSN Laboratories and CRISIL. The Indian companies are partners in Poland's development and creating substantial number of jobs locally. The Indian IT companies are spearheading Indian investment in Poland and are estimated to employ nearly 10,000 Polish experts. The two Indian companies that are running their factories in the town of Kstrzyn are Essel Propack (where it produces laminated tubes) and Novo Tech (a manufacturer of polymer products), while VVF is managing a soap factory in Raciborz.

4. Major Polish companies that operate in India include Torunskie Zaklady Materialow Opatrunkowych (TZMO) in Dindigul, Bengaluru, Mumbai (manufacturing hygiene and sanitary products), Can-Pack Poland in Aurangabad and Nuh (manufacturing metal packaging), Geofizyka Torun, Famur Group, Maflow and Ekolog (waste to energy). Total Polish investment is around US$ 635 million.

5. **<u>India-EU Free Trade Agreement:</u>**

Poland is a member country of the European Union and has welcomed conclusion of negotiations of the India-EU Free Trade Agreement. As per DGCI&S India's total merchandise trade with the EU was US $ 136.5 billion (exports $ 75.8 Billion & imports 60.7 billion) in 2024-25 and US$ 138.58 billion (Export – 72.39 billion, Import – 66.19 billion) in 2025-26. The India-EU services trade were US $ 83.10 billion in 2024-25 as per the WTO Stats-Trade in Commercial Services.

Under the FTA, India will gain Preferential Market Access on 96.8% of tariff lines which covers 99.5 of India's merchandise exports. 90.7% of exports (by trade value) to the EU to become duty-free on entry into force of the Agreement. Labour intensive sectors of more than US $ 33 billion of exports like Apparel, Textiles, Leather and Footwear, Gems and Jewellery etc. set to benefit from duty free access from entry into force.
(As of now, Textile & apparel sector faces a duty of up to 12% on Indian exports to the EU. The EU's textiles and apparel import market is around US $ 263.5 Billion whereas Indian exports are only US $ 7.2 billion. EU's import market for the Gems and Jewellery is US $ 79.2. billion and India's exports are just US $ 2.7 billion. Leather and Footwear import market of the EU is 101.63 billion and Indian exports are only 2.37 billion)

The FTA will boost Indian exports of Marine products to the EU (a market of US $ 53.6 billion with Indian exports of just US $ 1 billion). Preferential Market Access to around 87% tariff lines of Agriculture products of key interest for India such as tea, coffee, spices, table grapes, cucumber and gherkins, dried onion, sweet corn, select fresh vegetable and fruits as well as process food products will provide greater opportunities to enhance the exports.

The FTA opens access to India's large and fast growing economy comprising aspirational and rising middle class and youthful population. The FTA will open 92.1% of India's tariff lines to EU exports, covering 97.5 of its trade, strengthening the EU's economic footprint in India. EU industries gain duty free access on 496% of tariff lines and phased liberalization on 39.5% of lines over 5 to 10 years. EU's key interests such as mechanical and electrical machinery, chemicals, aircraft, medical devices, high tech equipment are expected to get the benefits under the FTA. The EU secures preferential access on 83% of EU Agri export trade value and TRQ for key items like apples, pears, peaches and kiwi. Gradual duty reductions (in seven years) on the premium wines from the EU and phased access to India's auto market through reduced tariffs are also advantage to the the EU exporters.

<u>Institutional Linkages and Programs</u>

6. Joint Commission on Economic Cooperation (JCEC): Under the umbrella of the Agreement on Economic Cooperation of 2006, periodic meetings (in every two years) are held. The Seventh Session of the India-Poland Joint Commission on Economic Cooperation (JCEC) was held in New Delhi on 14 July 2026 The Indian side was led by Shri Amardeep Singh Bhatia, Secretary DPIIT and the Polish side was led by Mr. Michal Baranowski, Under Secretary of State, Ministry of Economic Development and Technology. Both sides reviewed the overall state of bilateral economic relations and discussed various sectors and areas with potential for enhanced cooperation, including trade and investment, ICT and digital technologies, mining and coal, energy and renewable technologies, food processing and agri-tech, e-mobility and green hydrogen, MSMEs and start-ups, pharmaceuticals and medical devices, defence, science and technology, space, green technologies, smart cities, agriculture, tourism, and film and audiovisual cooperation. Both sides agreed to promote greater business-to-business engagement, investment opportunities, technology and knowledge exchange, joint research and capacity building, participation in trade fairs and business missions, and closer cooperation between relevant government institutions, industry bodies and companies to further strengthen mutually beneficial economic ties.

7. <u>Action Plan (2024-28) of the Strategic Partnership</u>: As per the agenda of the Action Pland, the Seventh Session of the India-Poland Joint Commission on Economic Cooperation (JCEC) reviewed the progress of the action plan and discussed the opportunities in Information and Communication Technologies (ICT), Air-connectivity, MSME, Chemicals and Petrochemicals, Film and Audiovisual Cooperation, Tourism, Space, Packaging, Leather and Leather Goods. Indian side also highlighted opportunities for Polish investments under the Make in India initiative in defence sector, EV batteries, shipbuilding, renewable energy, Industrial machinery, advance manufacturing, precision engineering and speciality chemicals.

<u>Sectoral Collaboration</u>:

8. IT/ICT Sector: Indian companies have sensed opportunities in Poland for over a decade and have made it a destination of choice for near-shoring operations targeted at Europe. Around thirteen Indian IT companies, employing more than 10,000 professionals, are currently active in Poland. Growth in the Polish IT industry is driven by rising incomes, investment in data networks, high levels of computer literacy support and retail hardware demand. Among others Infosys, TCS, Wipro, and HCL have a strong presence in Poland. During the 7th Session of the JCEC, both sides reaffirmed that commitment to strengthening bilateral cooperation in the field of telecommunications and digital technologies and agreed to explore collaboration in areas including 5G use cases, new and emerging technologies, policy and regulatory exchanges, Smart Village and use of AI in telecommunications. Both sides further underscored the importance of advancing digital connectivity and fostering industry collaboration for mutual benefit in the evolving digital ecosystem and explore cooperation in the trade and manufacturing of telecommunication equipment.

9. Mining/energy sector: During the Seventh Session of JCEC held on 14 July 2026 in New Delhi, both sides discussed mining and coal. The Indian side informed possible collaboration in Underground Coal Gasification (UCG) under the GoI's ambitious target of gasifying 100 million tonnes (MT) of coal by 2030 to efficiently utilize deep-seated coal reserves and enhance energy security in an environment friendly way. The cooperation may aim to promote collaborative research, technology exchange, and joint pilot-scale demonstrations to enhance clean coal conversion processes, reduce carbon emissions and support the transition towards low-carbon. The Indian side proposed collaboration on Mine Closure and Land Reclamation in India as Poland's deep expertise in mine closure stems from decades of compliance with rigorous European Union environment and safety standards. As Poland brings valuable expertise in the sustainable development of minerals deposits, shaped by its experience within the European regulatory framework and India, has pioneered a distinctive Star Rating system to assess mines across multiple sustainability parameters, promoting responsible mining practices nationwide, Indian side also proposed a collaboration that could foster meaningful exchange of knowledge, methodologies, and innovations in sustainable mining. Possibilities of capacity building and institutional strentheing to exchange best practices/cutting edge technologies in the mining sector were also discussed during the session.

10. Green Technologies: India's total non-fossil fuel-based Installed capacity stands at around 291.53 GW (as on May 2026, accounting for over 50 percent of total power generation capacity. This includes 157.5 GW of solar power, 56.81 GW of wind power, 11.75 GW of bioenergy, 5.18 GW of small hydro and 51.96 GW of large hydro capacity. To achieve its 2030 target of 500 GW non-fossil fuel-based capacity, India requires an estimated investment of about Euro 280-300 billion. With the launch of the national Green Hydrogen Mission, India aims to become a global green hydrogen production and export hub, and welcomes collaboration with Poland. During JCEC discussions, Poland expressed its readiness to depen cooperation with India in the field of green technologies by promoting innovative and proven solutions developed by companies participating in Green Evo – the Green Technology Accelerator programme of the Ministry of Climate and Environment. These solutions, covering areas such as renewable energy, energy efficiency, circular economy and environmental protection, may contribute to the achievement of India's renewable energy and sustainable development objectives. Poland will need approximately 160,000 tons of renewable hydrogen of non-biological origin from 2030 onwards with a significant share expected to be met through imports.

11. Green mobility /smart cities/ waste management: Ekolog, a Waste to energy Polish company, based in Bagalore, had started its operations in India in 2016. EKOLOG has established expertise in integrated waste management, waste-to-energy, biomethanation, wastewater and sludge treatment, and resource recovery. Electric and Hybrid vehicles manufacturing giant Solaris had also invested in India and has entered into a Joint Venture with JBM Auto Ltd and successfully cooperated in electric mobility-electric and hybrid buses, supported by JBM's large-scale EV manufacturing capacity in India.

12. Pharmaceutical and Chemicals Sector – Poland imported Pharmaceutical items worth US $ 15.6 billion in 2025 wherein India's share was only US $ 222 million. Being member of the EU, Polish Pharma sector is governed by a combination of national regulations (Ministry of Health), EU legistation (European Medicines Agency), and some other institutions such as National Health Fund etc. Registering an innovative drug into Poland is a time consuming process which may take up to five years whereas registration of generic drugs is easier. Polish authorities prefer for cheaper medicines and thus innovative medicines are not encouraged. Indian expertise in APIs and generic drugs can certainly penetrate into the Polish market with a certain and long-time strategy. M/s MSN Laboratory, a Hyderbad based Indian pharma company has opened an office in Poland in 2024 and expanded their operations in 2026. Polpharma, Poland's largest pharmacutical company has opened an office in Mumbai in March 2026.

Chemical/Rubber/Plastics: Polish imports were US $ US $ 50 billion in 2025 whereas imports from India were only US $ 393 million. The sector is highly regulated under the REACH Regulation of the EU wherein EU based Only Representative (OR) are appointed. Considering Poland as a smaller market, Indian exporters are not much inclined on compliance of this regulation which involves additional expenditure.

13. Engineering Sector: Engineering goods (machinery, mechanical appliances and electrical/electronic equipment) account for approximately 21% of India–Poland bilateral merchandise trade, with two-way trade in these products estimated at around US$ 1.36 billion in 2025 out of total trade of US $ 6.36 billion. India–Poland engineering-sector collaboration has significant potential, particularly in infrastructure, construction, energy, mining, transport, manufacturing and advanced engineering services. Indian companies bring strengths in cost-competitive engineering, EPC execution, IT-enabled engineering and large-scale infrastructure development, while Polish firms offer specialised capabilities in industrial equipment, mining technologies, railways, renewable energy and environmental engineering.

14. Textile & Apparel: In 2025, Polish companies imported US $ 24.85 Billion of textiles and apparel. Indian exports during 2025 were just US $ 1 Billion. India faces a Standard EU custom duty of between 9.5-12% and does not get any rebates under Generalized Scheme of Preferences (GSP) whereas Pakistan (exported ~US $ 1.05 bln) and Bangladesh (exported US $ ~4.13 bln), enjoy zero custom duties on their exports under the GSP. Accordingly, Indian textiles & apparels are less attractive and expensive. Under the concluded FTA negotiations, EU duties on Indian textiles and apparel are to be eliminated. Accordingly, it is expected to improve the competitiveness of Indian products such as yarn, cotton textiles, man-made-fibre apparel, ready-made garments, clothing and home textiles in the EU market.

15. Ayurveda: Ayurveda-specific products face regulatory and market-access constraints, and Indian products are often positioned as food supplements, cosmetics or wellness products rather than medicines. Thus, Poland represents a growing but still emerging market for Indian Ayurveda, with considerable potential in herbal supplements, personal care, wellness and Ayurvedic services if regulatory compliance and consumer awareness are strengthened. Presently Sattva Ayurveda, Himalya Wellness, Sri Sri Ayurveda, the ayurdSattva, Himalya and Sri Sri, Lawana are some of the prominent companies dealing with Ayurveda products in Poland. Under the India-EU FTA, provisions to boost Indian traditional medicines have been negotiated. The FTA provides future certainty and locks in the openness of EU for establishment of AYUSH wellness centres and clinics in the EU Member States.

16. Tourism : Tourist arrivals from Poland to India have increased significantly over the past decade, rising from around 15,000 in 2014 to 35,457 in 2023 and 43,316 in 2024. While there is relatively higher demand in the tourism related to yoga, spiritual, meditation and cultural purposes, the overall number is not high. Polish outbound tourists are more inclined to travel to European coutries due to cheaper travelling and other costs. However, in recent years cheaper Asian desinations such as Thailand, Vietnam have attracted Polish tourists. Despite having a daily direct flight from Warsaw to New Delhi and e-Visa facility to Polish passport holders, the number of Polish tourists is limited. Some special chartered flight operates between Krakow and Goa. Goa Tourism has been organizing Road-Shows in Poland which has given some encouraging results.

Trade and Investment- Major Issues

17. Carbon Border Adjustment Mechanism (CBAM): CBAM is the EU's system for putting a carbon price on certain carbon-intensive goods imported into the EU, broadly mirroring the carbon costs faced by EU producers under the EU Emissions Trading System (EU ETS). The regulation has come into effect w.e.f. 01.01.2026. The main items that are covered under CBAM are cement, Iron & steel, aluminium, fertilizers, electricity and hydrogen. The Indian exporters do not normally purchase CBAM certificates, the EU importer does. However, the importer is likely to factor that cost into the purchase price, potentially making a high-carbon Indian product less competitive against EU-produced or lower-carbon alternatives. Annexure on CBAM in the India-EU FTA aims to strengthen cooperation and support between India and EU to enhance efforts to reduce greenhouse gas emissions. It also establishes a Technical Dialogue wherein India can engage with the EU on verification and accreditation requirements and setting of default values under the EU CBAM. The EU may also provide support through technical assistance, capacity building and financial tools to India with respect to carbon emission reduction. In particular, India will get a more beneficial treatment that EU gives to any other country through the MFN clause.

18. Skilled labour shortages: - Indian investors in Poland and Polish companies are facing huge shortage of skilled employees due to immigration from Poland to other west European countries for higher wages. This is a systemic problem and an opportunity for Indian labour force.

19. Miscellaneous issues:- Indian investors/businesses have also complained about difficulty in obtaining online Polish Visa slots and inordinate delay in renewal of their residence permits which Embassy has taken up separately.

<u>Recent Trends</u>

20. Electronics and Mobile Phones: Poland's total imports under this sector was US $ 4.9 billion in 2025. The sector is registering an annual growth rate of around 7%. Indian exports were US $ 304 million in 2023, US $ 342 million in 2024 and around US $ 500 million in 2025 (including around US $ 300 million of mobile exports from India to Poland).

21. Notification on the export of apples was released in August, 2017 by GoI revising phytosanitary conditions to facilitate the barrier free export of Apples from Poland to India, As per Gazette Notification S.O. 3551(E) dated 22 August 2024, India allowed the import of fresh blueberries from Poland only if they come from NPPO-registered orchards and pack-houses, are certified free from the pests Acalitus vaccinii and Pseudomonas viridiflava, and are clean and free from soil or plant debris. An additional declaration must also be included in the phytosanitary certificate.

22. Export Promotion Councils (EPCs) from India have mounted delegations to various Polish expos such as:

> 22 Indian exporters specialising in hand tools, engineering and auto components participated in the Warsaw Tools & Hardware Show / Automotive Parts Expo in November 2024, led by FIEO.
>
> 17 Indian manufacturers of textiles and apparel, under the Apparel Export Promotion Council (AEPC), participated in the Trends Expo 2025 at the Ptak Exhibition Centre, Łódź, from 26–28 August 2025.
>
> 15 Indian companies from the Leather and Footwear sector, under the Council for Leather Exports (CLE), participated in a business interaction with the Polish business sector in Warsaw in 5-8 May 2025.
>
> An Indian business delegation from the Gems & Jewellery Export Promotion Council (GJEPC) participated in business engagements in Poland from 18–21 May 2026.
>
> Indian companies from the All India Plastics Manufacturers Association (AIPMA) participated in Plastpol – the International Fair of Plastics and Rubber Processing at the Exhibition & Congress Centre, Kielce, in May 2026.

From the Polish side, Secretary of State for Digital Affairs Mr. Michal Gramatyka visited India on 15-16 October 2024 to attend the World Telecommunication Standardization Assembly 2024 Conference held in New Delhi. Mr Rafal Rosnicki, Under Secretary of State, Ministry of Digital Affairs visited India in November 2025 to participate in the Bengaluru Tech Summit and later in February 2026 for the AI Impact Summit in Delhi. Secretary of State Mr. WT Bartoszewski visited India to participate in the India-EU Forum in February 2026. Under Secretary Mr. Michal Baranowski, Ministry of Economic Development and Technology led the Polish delegation for the JCEC in New Delhi in July 2026.

September, 2026

Annexure-I

Top 10 items of Polish Import from India in US$ million (as per 2025 figures)

S.No	Item	2023 / % share	2024 / % share	2025 / % share	2026 Jan-Jun / % share
	TOTAL	3973,9	4360,3	4836,9	2411,6
1.	TEXTILES AND APPAREL	627,2 15.8%	755,1 17.3%	997 20.6%	513,8 21.3%
2.	CHEMICALS AND PHARMA	450,2 11.3%	468,9 10.8%	564,3 11.7%	318,1 13.3%
3,	ELECTRONIC MACHINERY	532,3 13.4%	578,9 13.3%	523,1 10.8%	176,7 7.3%
4.	LEATHER AND ARTICLES THEREOF	332,9 8.4%	377,7 8.7%	443,1 9.2%	209,2 8.7%
5.	BASE METALS AND ARTICLES THEREOF	509,2 12.8%	462,4 10.6%	400,7 8.3%	211,5 8.8%
6.	ENGINEERING GOODS	300,4 7.6%	313,8 7.2%	382,1 7.9%	190,7 7.9%
7.	VEHICLES OTHER THAN RAILWAY	179,7 4.5%	200 4.6%	224,5 4.6%	131 5.4%
8.	RUBBER	85,7 2.2%	130,1 3.0%	147,9 3.1%	79,9 3.3%
9.	MINERAL FUELS	192,8 4.9%	230,7 5.3%	114,3 2.4%	2,3 0.1%
10.	TOBACCO	77,8 2.0%	80,2 1.8%	102,3 2.1%	70,9 2.9%

Top 10 items of Polish Export to India in US$ million (as per 2025 figures)

S.No	Item	2023 / % share	2024 / % share	2025 / % share	2026 Jan-Jun / % share
	TOTAL	1757.8	1446.1	1536	794.2
1.	MACHINERY AND MECHANICAL APPLIANCES; PARTS THEREOF	459.9 26.2%	281.6 19.5%	307.5 20.0%	115.1 14.5%
2.	BASE METALS AND ARTICLES THEREOF	323.5 18.4%	244.9 16.9%	225.8 14.7%	102.3 12.9%
3,	MINERAL FUELS, MINERAL OILS AND PRODUCTS OF THEIR DISTILLATION	345.9 19.7%	269.9 18.7%	195.6 12.7%	98.8 12.4%
4.	ELECTR. MACH. AND EQUIP. AND PARTS THEREOF;	175.3 10%	124.2 8.6%	146.9 9.6%	82.5 10.4%
5.	PRECIOUS METALS AND STONES	1.2 0.1%	18 1.2%	82.3 5.4%	0.4 0.1%
6.	OPTICAL, MEASURING, CHECKING, PRECISION, MEDICAL APPARATUS; PARTS	69.7 4%	65.7 4.5%	77.5 5.1%	47.6 6.0%
7.	ALBUMINOIDAL SUBSTANCES; MODIFIED STARCHES; GLUES; ENZYMES	39.7 2.3%	44.4 3.1%	61.3 4%	54.7 6.9%
8.	RUBBER AND ARTICLES THEREOF	50.4 2.9%	80.4 5.6%	60.9 4%	45.4 5.7%
9.	AIRCRAFT, SPACECRAFT, AND PARTS THEREOF	20.3 1.2%	2.9 0.2%	43.6 2.8%	62.5 7.9%

10.	CERAMIC GOODS	26.7 1.5%	36.3 2.5%	42.6 2.8%	28.7 3.6%