

# Economic Report Poland

July 2025



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**Editor:**

VDMA

Food Processing and Packaging Machinery Association

Lyoner Strasse 18

60528 Frankfurt am Main

Web: [Food Processing and Packaging Machinery Association](#)

**Contact:**

Daniel Dellemann

Phone: 069 6603-1931

E-Mail: [daniel.dellemann@vdma.eu](mailto:daniel.dellemann@vdma.eu)

## Poland's food industry invests in new plants

Rising prices put pressure on food and beverage manufacturers in 2024. Nevertheless, the outlook is positive. The export business remains an important pillar. Increasing prosperity is contributing to rising demand for cosmetics.

## Overall economic outlook (as of June 2025)

Donald Tusk's governing coalition has suffered a heavy defeat in the presidential election. Nevertheless, the economic outlook remains positive.

### Top topic: New president elected

Poland has a new president. The winner of the election is Karol Nawrocki, a member of the national-conservative opposition party PiS. The incumbent Andrzej Duda, who is also close to the PiS, was unable to run again after two terms in office. This does not make governing any easier for Prime Minister Donald Tusk and his three-party bourgeois-liberal coalition. The President can block almost any legislative proposal with a veto - a tool that Duda already used against the government. Nawrocki will continue this course. Tusk's liberal-conservative PO party and the PiS are irreconcilably opposed to each other.

Economic reforms could also be affected. For example, it is unlikely that Nawrocki will agree to a planned relaxation of the distances between wind turbines or a faster phase-out of coal.

### Restrictions for international contractors

However, not all reform projects are so controversial. One planned change to public procurement law is considered to be capable of gaining consensus. The government has introduced a corresponding law that allows state contracting authorities to exclude certain companies from tenders. The amendment affects companies based outside the EU, the European free trade area or the GPA agreement of the World Trade Organization (WTO). Subsidiaries in Poland or other EU countries are excluded. The reform is aimed at Chinese and Turkish construction companies, among others. Parliament and the President still have to approve the law.

Poland is thus transposing a ruling by the European Court of Justice (ECJ) into national law. The state rail network operator PKP PLK had already excluded non-European applicants from a tender at the beginning of 2025. The road construction authority GDDKiA took a similar approach with the expansion of the A2 highway.

The state project company behind the planned major airport CPK, on the other hand, reserves the right to accept Turkish contractors for civil engineering work. The state operator of the gas network Gaz-System is also having a terminal for liquefied natural gas built by a Turkish company.

### Economic development: growth thanks to investments

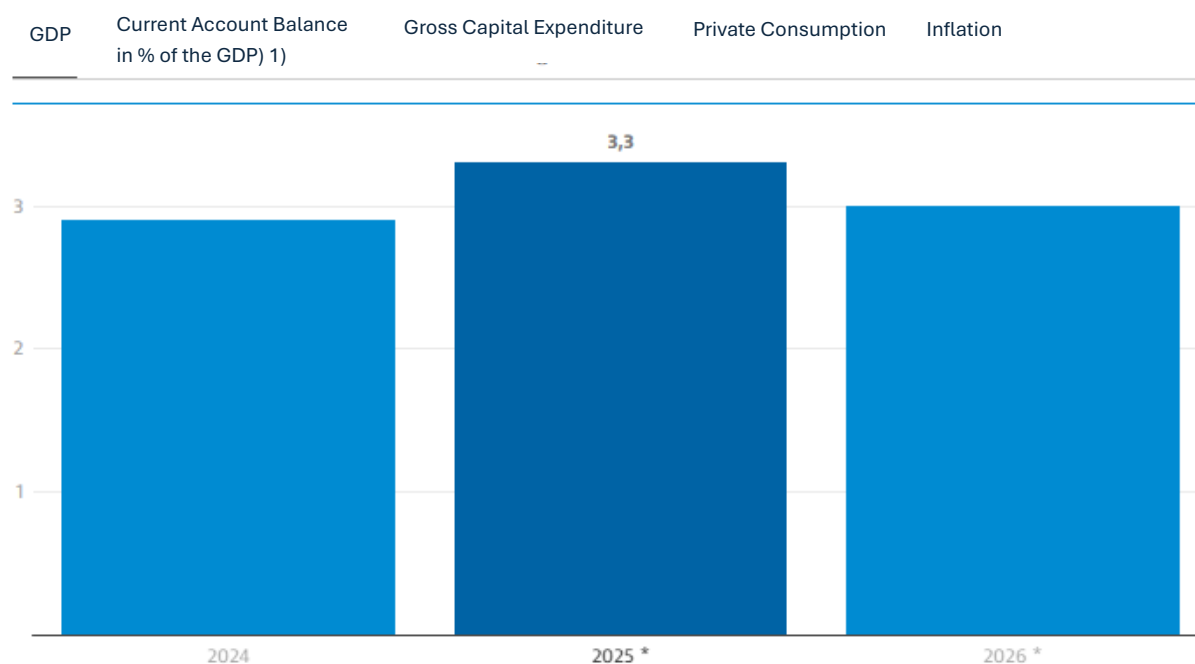
Public investment will contribute to Poland's economy growing three times faster than the European average in 2025 with an increase of 3.3 percent. This is the conclusion reached by the European Commission in its spring forecast.

The energy sector will provide important impetus. The installation of Poland's first offshore wind turbines has been underway since the beginning of 2025, and the major CPK airport is also making progress. The state-owned project company has put the construction of the passenger terminal out to tender and selected a contractor to drill a feeder rail tunnel under the city of Łódź.

Good news for investors: the Polish National Bank NBP has lowered its key interest rate by 0.5 percentage points to 5.25 percent. This is due to falling inflation. This makes loans for investments cheaper. EU subsidies are also helping with modernization projects.

In addition to investments, growing consumer spending is also contributing to economic growth. The retail sector in Poland reported a 3.3 percent increase in sales between January and April 2025. This is being driven by rising salaries. New social benefits, such as the "Active Parents" program, are also playing a role. It covers the costs of childminders or daycare centers and eases the burden on families' private wallets.

### Poland's economy on course for growth - real year-on-year change in percent



\* Forecasts.

Source: European Commission (spring forecast) 2025

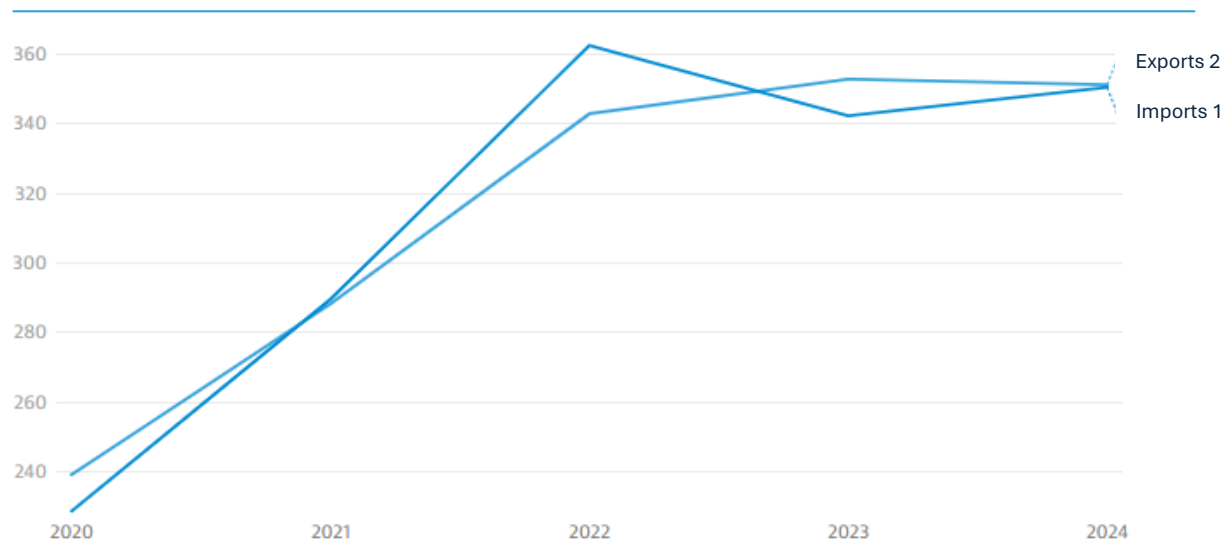
### Measures against new debt

Growing public spending with moderately rising tax revenues are putting pressure on the national budget. At 6.2 percent of gross domestic product (GDP) in 2025, new debt in Poland is growing almost twice as fast as the EU average. In terms of economic strength, only Romania is taking on more new debt than Poland in the EU.

Rising military spending is also contributing to the budget deficit. The government therefore wants to reallocate money from the European Reconstruction Fund to defense projects. The fund was actually intended to mitigate the economic consequences of the coronavirus pandemic. The European Commission accepted the new Polish spending plan at the end of May 2025.

Poland's government is also hoping to get a grip on national debt with reforms. One buzzword is cutting red tape. Prime Minister Donald Tusk has commissioned a working group led by Polish billionaire and entrepreneur Rafał Brzozka to draw up proposals. Some draft laws are already in the cabinet. They concern the reporting obligations of companies, deadlines for new tax laws to come into force, the faster expansion of renewable energies and the digitalization of public administration.

### Poland's total foreign trade (in billion euros)



1 Cost, Insurance, Freight (cif); 2 Free on Board (fob); without trade in services.

Source: Eurostat 2025

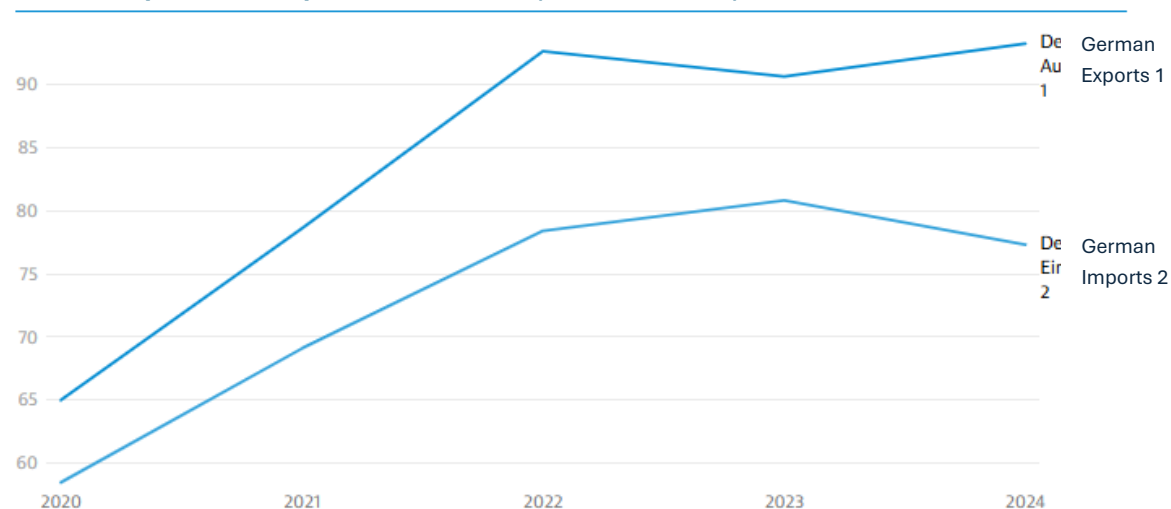
### German perspective: pressure from Chinese competitors

Trade with Germany remains a pillar of Poland's economy. In the first quarter of 2025, German customers imported 6.5% more goods from Poland than in the same period last year. Exports from Germany to its eastern neighbor also increased by 3.6 percent. Poland's demand for new cars and electrical household appliances is developing particularly positively.

However, international competition is growing. Imports from China, South Korea and the USA rose by between 15 percent and 35 percent in the first quarter of 2025. While Poland mainly buys defense goods from the USA and South Korea, China supplies machinery, chemical products and consumer goods.

China is now Poland's second-largest import partner and is rapidly catching up with Germany. Analysts, including the bank Credit Agricole Polska, fear that the pressure from Asia could increase even further in the wake of the US tariffs on Chinese goods. It is possible that exporters from China could redirect their goods to Europe - and therefore also to Poland. This would result in price wars and falling margins for domestic manufacturers.

### German imports and exports with Poland (in billion euros)



1 Free on Board (fob); 2 Cost, Insurance, Freight (cif); without trade in services.

Source: Destatis 2025

Further information (e.g. legal information or industry reports) can be found on the GTAI [Länderseite Polen](#).

## Market Trends Food Industry

Polish food manufacturers are investing even though sales are stagnating. Favorable forecasts play a role in this. At the same time, the industry is fighting against new imports.

After years of upswing, Poland's food industry suffered a setback in 2024. While sales measured in euros rose by 6.6 percent, growth in the national currency zloty amounted to just 1.2 percent. The reason for the difference lies in the significant appreciation of the zloty between 2023 and 2024. Companies in Poland focus primarily on the zloty value.

Imports became cheaper thanks to the stronger national currency. Food imports grew almost three times faster than exports in 2024. Nevertheless, Poland's export surplus has changed very little. The country exports almost three times as much food as it imports.

### Turnover of Polish producers of food, beverages and tobacco (in billion euros, change in percent)

Category	2022 <sup>*)</sup>	2023 <sup>*)</sup>	2024 <sup>*)</sup>	Change 2024/2023
Food	82.9	88.9	94.9	6.8
Beverages	6.3	7.2	70.5	2.7
Tobacco products	2.0	2.3	2.5	8.7

<sup>\*)</sup> converted at the respective average exchange rate 2022: 1 euro = 4.6861 zloty, 2023: 1 euro = 4.5420 zloty, 2024: 1 euro = 4.3058 zloty.

Source: Central Statistical Office CIS 2025

### The price decides

The weak sales figures are also linked to price increases. As a result, consumers switched to cheaper food. Although inflation has calmed down in the meantime, customers remain cautious. According to the food manufacturer Flora Food Group, price is now the most important selling point. In previous years, on the other hand, the ingredients of foodstuffs were in first place. Organic producers in particular are suffering from this development. Their market share has been stagnating at less than 1 percent for years. By comparison, in Germany it is over 6 percent. There are also signs of crisis in another niche market. As the daily newspaper Rzeczpospolita reports, sales of meat substitutes fell in 2024. At the same time, foods that emphasize health-promoting properties are on the rise. These include, for example, a reduced sugar and fat content or an increased protein content. Beverage bottlers such as Żywiec Zdrój are focusing on the addition of minerals and vitamins.

### Growth also thanks to investments

Analysts confirm that Poland's food industry still has great potential. The market research institute PMR Market Experts is forecasting a new upward trend for 2025. The most important drivers include rising wages in Poland. According to PMR Market Experts, the increase in wages will have a positive effect on food consumption with a slight delay. Złoty sales in the food industry are expected to increase by an average of 5 percent per year until 2030.

**The food, beverages and tobacco industry accounts for 20.2 percent of all sales in the manufacturing sector.**

However, higher wages also have a downside. According to Andrzej Gantner, head of the Association of Food Producers PFPZ, Polish food is losing competitiveness on international markets due to higher labor costs. Growing expenditure on energy and raw materials is also leaving its mark. For example, the global rise in cocoa prices contributed to the fact that the Polish chocolate manufacturer Wedel increased its turnover in 2024, although it sold fewer chocolate bars in terms of volume.

Not all companies can keep up in this environment. They are being bought up by larger and stronger competitors. The Polish dairy group Mlekovita took over the mold cheese manufacturer KaMos from Kamienna Góra. "There is potential for further consolidation," comments Marcin Hydzik, Chairman of the Board of the Polish Association of Milk Processors ZPPM in the daily newspaper Puls Biznesu. Acquisitions are also taking place outside the dairy industry. The fish processor Lisner - a Polish subsidiary of the German food group Theo Müller - bought its Polish competitor Graal in 2024. Some companies are investing to offset the higher costs of labor and energy. According to a study by German technology group Siemens, there is currently hardly any other sector in Poland that is as interested in digitalization as the food industry. Agnieszka Maliszewska, Director of the Polish Milk Chamber PIM, says: "Digital transformation is crucial for competitiveness on domestic and foreign markets."

#### Turnover of Polish producers of food, beverages and tobacco in Poland (in billion euros, change in percent)

Category	2020 <sup>1)</sup>	2022 <sup>1)</sup>	2023 <sup>1)</sup>	Change 2023/2022
Food	61.2	82.9	88.9	7.2
Beverages	5.3	6.3	7.2	14.3
Tobacco products	1.9	2.0	2.3	15.0

1) converted at the respective annual average exchange rate, 2021: 1 euro = 4.5652 złoty, 2022: 1 euro = 4.6861 złoty, 2023: 1 euro = 4.5420 złoty. Source: Central Statistical Office CIS 2023

The companies are also modernizing their facilities. One example is the confectionery manufacturer Mieszko. It is building a hall with two automated production lines in Racibórz. The costs amount to 40.5 million euros. The sausage manufacturer Sokołów has also announced investments of around 40 million euros for 2025. The manufacturer intends to use the funds to automate its processes. WSP Spółem, on the other hand, is building a new production hall in Kielce from May 2025 until probably mid-2027. According to the economic development agency of the Śląskie SSE Katowice region, no other local industry invested as much money as food and beverage manufacturers in 2024.

Projects are also made possible thanks to extensive EU funding. Companies from Poland's food industry are among the biggest winners of a subsidy program from the European Reconstruction Fund. Companies from various sectors are receiving subsidies for new automation technology to the tune of 470 million euros.

#### Criticism of free trade agreements

In addition to investments, companies are focusing on new export markets in order to increase their turnover. The dairy company Mlekpól sees great potential in African and Asian countries in particular, as the population is growing here. The meat industry has high hopes for Asia in particular. Outbreaks of bird flu or African swine fever in Poland blocked exports to countries such as Vietnam, South Korea and Japan. Poland is now able to export some meat products again. The poultry industry is hoping that exports to China will be allowed again at the beginning of 2025.

At the same time, Poland's food industry fears new competition from South America. Meat processors and dairies are up in arms against the Mercosur free trade agreement. The companies fear losing customers in important EU export markets. Poland's Ministry of Economy writes: "Cheaper products from Mercosur countries, where production costs are lower, could displace Polish goods."

### Selected investment projects in the food industry in Poland (investment amount in millions of euros)

Project	Total investment	Project status	Remarks
Construction of a factory for table salt, Glogów	233	Implementation, completed mid-2029	Copper combine KGHM Polska Miedź
Construction of a factory for coffee products, Jawor	142	Planning, ready in 2030	Jacobs Douwe Egberts OPS PL (Netherlands)
Construction of a refrigerated warehouse, Nowy Modlin	112	Implementation, completed in summer 2024	Atlas Ward for NewCold (Netherlands)
Expansion of the chocolate factory, Warsaw	70	Implementation, completed in Q3 2024	Company Wedel (Lotte, Japan)
Construction of a factory for UHT milk, Wysokie Mazowieckie	61	Implementation, completed in 2025	Dairy Group Mlekovita
Expansion of a factory for baby food and food for medical purposes, Opole	50	Implementation, completed in summer Q1 2025	Nutricia (Danone, France)
Modernization of a juice factory, Zator, Krakow Technology Park	43	Implementation	Company Tymbark-MWS (Maspex)

Quelle: Pressemeldungen 2024, Firmenangaben, Recherchen

## Sector Structure of the Food Industry

Thanks in part to international companies, Poland is one of the EU's leading food exporters. On the domestic market, rising incomes are contributing to new eating habits.

In terms of turnover, Poland has the sixth largest food industry in the EU. A number of domestic and international companies dominate the market. Small companies are mainly active in niche markets. Foreign manufacturers not only produce in Poland for local customers, but also supply customers throughout Europe.

One prominent example is the German coffee manufacturer Tchibo, whose plant near Warsaw produces all of the company's capsules, pods and instant coffee products. The Dutch tea manufacturer Lipton also relies on Poland: The factory in Katowice is the only plant within the EU. It supplies markets throughout continental Europe. Overall, Polish coffee and tea manufacturers generate over 60 percent of their turnover from exports. Foreign business is similarly dominant among fish and seafood processors.

The Polish food industry as a whole generates more than a quarter of its turnover from exports. Based on the value of goods, no other country in the EU exports as much poultry meat as Poland. Only the Netherlands exports more eggs. International retailers support Poland's exports. The Polish subsidiary of German discounter giant Lidl delivered goods worth around 1.5 billion euros abroad in 2023 alone.



### Important sector companies in Poland (turnover 2023 in millions of euros)

Company	Division	Turnover <sup>1) 2)</sup>
Grupa Maspex	Various foodstuffs	3,299
Animex Foods	meat processing	2,789
<a href="#">Grupa Mlekovita</a>	Dairy products	2,007
<a href="#">SM Mlekpól</a>	Dairy products	1,475
Krajowa Grupa <a href="#">Spożywcza</a>	various food products	1,419
<a href="#">Grupa Sokołów</a>	Meat and meat processing	1,282
<a href="#">Imperial Tobacco Polska S.A.</a>	Tobacco processing	1,243
Grupa Wipasz	Animal feed and poultry processing	1,223
Mowi Polska	Fish processing	1,175
<a href="#">Grupa Żywiec</a>	Brewery Group (Heineken)	850

<sup>1)</sup> converted at the average annual exchange rate for 2023: 1 euro = 4.543 złoty;

<sup>2)</sup> Revenue from sales

Quelle: Liste 500 der Tageszeitung Rzeczpospolita 2024Rzeczpospolita 2023

### International manufacturers buy up companies

Even though food manufacturers are scattered throughout the country, there are some regional focuses. A large proportion of the companies are based in central and southern Poland. There are production centers in the central Polish voivodeships of Łódzkie, Mazowieckie and Wielkopolskie, for example. Śląskie and Małopolskie in the south of the country are also significant.

The Maspex Group is not only the largest food group with Polish ownership, but also one of the largest industry representatives in Central Eastern Europe. The company's portfolio includes around 70 brands, including the well-known Polish pasta brand Lubella and the juice producer Tymbark. The largest international manufacturers in Poland include Nestlé, Unilever, Coca-Cola and PepsiCo. One of the largest German manufacturers in Poland in terms of turnover is Pfeifer & Langen with various subsidiaries and Südzucker.

### Production of selected foodstuffs and luxury foods in Poland <sup>1) 2)</sup>

Product Category	2022	2023 <sup>3)</sup>	Change 2023/22 <sup>4)</sup>
Poultry meat	3,358	3,295	-1.9
Sausage products	896	737	-17.7
Fruit and vegetable juices (in 1,000 hl)	13,198	10,237	-22.4
Milk (in 1,000 hl)	37,211	34,871	-6.3
Cheese, maturing	384	389	1.3
Cream cheese, quark	519	520	0.2
Wheat flour	2,517	1,957	-22.2
sugar	2,146	3,393	58.1
Pure vodka (converted to 100 % alcohol, in 1,000 hl)	1,018	871	-14.4
Beer (in 1.000 hl)	39,764	35,200	-11.5

<sup>1)</sup> in 1,000 tons, unless otherwise stated, hl = hectolitre;

<sup>2)</sup> Companies with at least 50 employees;

<sup>3)</sup> Figures for 2023 are provisional and may be adjusted upwards;

<sup>4)</sup> Change in percent

Source: Central Statistical Office GUS 2024

In July 2024, the poultry processor Drosed - a Polish subsidiary of the French LDC Holding - took over its Polish competitor Indykpol. This is not an isolated case. Some of Poland's largest meat producers now belong to foreign investors. Prominent examples include Animex Foods, Sokołów and Tarczyński. In the dairy industry, however, the situation is different. The country's three leading dairies, Polmlek, Mlekovita and Mlekpól, are all in the hands of Polish owners.

#### Polish exports of agricultural products and foodstuffs (in billion euros)

Year	Wert
2023 *)	51.8
2022	47.9
2021	37.6
2020	34.3

\* Estimate; source: State Office for the Promotion of Agriculture KOWR 2024

#### The manufacturers organize themselves

The partly state-owned company KGS (Krajowa Grupa Spożywcza) also forms a counterweight to the strongly represented companies with foreign capital. A total of 15 agricultural companies and food processors are now under the umbrella of the group. The sugar producer KSC (Krajowa Spółka Cukrowa S.A) plays a key role. One of KGS's tasks is to stabilize the prices of agricultural goods through long-term supply contracts.

National and international producers are involved in various associations. The largest representative of the food industry in Poland is the Federation of Food Producers PFPŻ (Polska Federacja Producentów Żywności). Its members also include German companies such as Bahlsen, Hipp and Hochland. Some sectors of the food industry also cooperate in industry-specific chambers such as the Polish Milk Chamber PIM (Polska Izba Mleka) or the Economic Chamber for Poultry (Krajowa Rada Drobiarstwa - Izba Gospodarcza).

#### Products from Poland dominate the trade

Consumers in Poland mainly buy food in discount stores or neighborhood stores. These mini-markets with a limited range of products usually belong to franchising companies. Large hypermarkets, on the other hand, are losing market share, as are specialty stores that are not part of a chain.

As in other European countries, more and more convenience products are finding their way into the product range in Poland. The Żabka supermarket chain, for example, offers a range of frozen products that customers can heat up in-store.

The products in Polish supermarkets and discount stores generally come from Poland. According to the trade association POHiD (Polska Organizacja Handlu i Dystrybucji), 97 percent of all dairy products on the shelves are Polish. This figure rises to 98 percent for meat preparations. In the case of fruit and vegetables, the figure is still 76 percent. International goods are particularly popular in stores during themed promotion weeks.

At the same time, out-of-home sales are becoming increasingly popular. The number of restaurants and snack bars has been growing for years, mainly thanks to the increase in mobile catering. This category includes food trucks, for example. Catering service providers are fighting for market share in the growing office centers of large cities. According to market research agency Dun&Bradstreet, turnover in the entire HoReCa sector (hotel/restaurant/catering) climbed by 8.4 percent in 2024. The most important drivers include rising prosperity coupled with increasing disposable income in Poland. German food wholesalers can take advantage of this. The catering supplier Chefs Culinar from Schleswig-Holstein is growing in Poland, primarily thanks to the increasing demand for more exotic ingredients in the catering sector.

## Pharmaceutical Industry

Poland wants to produce more active pharmaceutical ingredients itself and become independent of drug imports. Industry representatives are calling for support.

Poland's Ministry of Health is revising the reimbursement law. The planned amendment rescinds parts of a reform from 2023. The changes made at the time required pharmaceutical companies to stockpile large quantities of medicines. Some of these requirements are expected to be dropped.

Since 2024, patients have received a discount on a number of prescription medicines if the medicine was manufactured in Poland. The employers' association of Polish pharmaceutical manufacturers PZPPF speaks of a symbolic step in the right direction to promote domestic production.

### Growing pharmaceutical market with shaky financing

Poland's pharmaceutical market is considered to be particularly price-sensitive. The domestic industry focuses on generics. Nevertheless, there is room for suppliers of innovative medicines.

According to figures from the GUS statistics office, antibiotics in particular are being produced less and less in Poland for cost reasons. Yet the country actually wants to produce more medicines itself. The Ministry of Health has published a list of 301 medicines that are critical for the domestic supply. Pharmaceutical manufacturers currently only produce a quarter of these medicines in Poland. According to the PZPPF, purchase guarantees and subsidies for machinery are needed so that manufacturers can build up the necessary capacity.

Poland had refrained from investing money from the European Recovery Fund in pharmaceutical production due to the strict deadlines. The country is now looking for further European funding opportunities. At the same time, Polish pharmaceutical giants are expanding their facilities. The company Adamed, for example, plans to invest over 400 million euros by 2030.

### Pharmacy sales in Poland increase (in billion euros<sup>1</sup>), change in percent

	2023	2024	Change 2024/2023 <sup>2)</sup>	Price increase <sup>3)</sup>
<b>Total, including</b>	11.1	13.0	10.9	8.7
Reimbursable prescription-only medicines	3.2	3.8	11.4	6.4
Prescription medicines for self-payers	3.0	3.6	16.5	11.7
Non-prescription preparations (Over the Counter, OTC)	4.8	5.5	7.4	7.0

1) converted at the average annual exchange rate 2023: 1 euro = 4.5420 złoty, 2024: 1 euro = 4.3064 złoty;

2) Nominal change on a złoty basis in percent;

3) Average price increase per pack in percent.

Source: PEX Pharma Sequence, PEX Sp. z o.o. 2025

Further information on the pharmaceutical industry in Poland can be found in the GTAI series [Branche Kompakt](#).

## Cosmetics Industry

The cosmetics industry in Poland is benefiting from growing consumer spending. Despite the good situation on the domestic market, many manufacturers see new growth opportunities in exports in particular.

Sales in the cosmetics industry in Poland are on the upswing. According to Bank PKO, cosmetic products worth 5.3 billion euros were sold in 2024. This corresponds to an increase of 3.9 percent compared to the previous year. The analysts see further potential. They expect average annual growth of 4.2% between 2025 and 2028. Some product groups are developing faster than the market. According to the forecasts, sales of skincare products and make-up are growing particularly dynamically.

The increase in sales in the cosmetics industry is mainly due to rising real incomes. Because Polish consumers have more money in their wallets, consumer spending is on the rise. This in turn helps the cosmetics industry.

According to Bank Pekao, there is another reason for manufacturers to be happy. A study shows that material costs in the cosmetics industry will have fallen by 8 percent over the course of 2024. Raw materials account for more than 50 percent of a cosmetics manufacturer's costs. If prices fall, company profits improve.

### International corporations improve the balance of trade

Poland occupies 5th place in the ranking of top-selling cosmetics markets in the EU.

The export business of cosmetics manufacturers is also growing. In 2024, companies delivered goods worth 5.3 billion euros abroad, an increase of 4.2 percent. Around a fifth of exports go to Germany. The United Kingdom and the Czech Republic are the second and third most important export destinations.

Poland exports significantly more cosmetic products than it imports. The surplus in foreign trade is due to the strong presence of international manufacturers. According to PKO, only around a quarter of all cosmetics companies in Poland have a foreign owner, but at the same time international companies account for around three quarters of total industry exports.

One example is L'Oréal: the French manufacturer operates a plant in a suburb of Warsaw. More than 90 percent of its production is exported. The German cosmetics group Beiersdorf, owner of the Nivea brand, also sells products from its plant near Poznań on international markets. US cosmetics companies such as Colgate-Palmolive and Procter & Gamble also have production facilities in Poland.

### Polish companies focus on regional markets

One of the most successful national and international manufacturers with Polish ownership is the Dr. Miele Cosmed Group (no relation to the household appliance manufacturer Miele). Another domestic top dog in Poland is the cosmetics company Ziaja. The manufacturer generates around 20 percent of its sales through exports. The largest Polish cosmetics companies also include the Cosmo Group, Dr. Irena Eris and Eveline Cosmetics. The picture of domestic manufacturers is rounded off by a large number of start-ups.

Contract manufacturers play an important role in Poland's cosmetics industry. They produce so-called white label products for domestic and international cosmetics companies. The products are then sold with the logo of an established brand. Well-known contract manufacturers in Poland include Adex Cosmetics, Canexpol and the Poplawska Group.

Around 250 manufacturers have joined forces in the Polish Cosmetics Industry Association PZPK (Polski Związek Przemysłu Kosmetycznego). The interest group is regarded as the most important mouthpiece for the industry. Its members include major international companies, including the German Beiersdorf.

### Sales of personal care products and cosmetics increase in Poland (in billions of euros)

Product group	2024 <sup>1)</sup>	2028 <sup>2)</sup>	Change <sup>3)</sup>
Body care products	2.6	2.9	3.6
Nourishing cosmetics for the skin	1.4	1.8	5.4
Decorative cosmetics	0.6	0.8	5.3
Perfumes, Eau de Toilette	0.6	0.7	2.8
Beauty technologies	0.1	0.1	4.2

1) Estimate; 2) Forecast; 3) Annual average nominal increase 2024 to 2028 in percent.

Source: Savings Bank Organization PKO BP 2025

### Association is asking for innovations

Manufacturers in Poland are hoping for new growth opportunities, particularly in the export business. This is revealed in a series of interviews in the industry magazine Świat Przemysłu Kosmetycznego. The focus is on countries such as the Czech Republic, Slovakia, Hungary and Romania. However, many expansion plans have a catch. As the PZPK complains, Polish cosmetics manufacturers spend too little on research and development. Instead, the companies are trying to compete on the basis of low costs. The PZPK's annual report states: "With their presence on foreign markets, Polish companies should invest more in innovation in order to maintain their competitiveness, especially as advantages based on low labor costs [...] are gradually disappearing." There is support for this. In an analysis of the Polish cosmetics industry, management consultants EY refer to support programs. Researching cosmetics companies receive tax benefits, for example. The companies can also make use of EU funds as part of the SMART-PATH program.

PZPK identifies European environmental regulations as a further challenge. In particular, the new version of the EU Waste Water Directive is a source of discussion for the association. According to the association, expensive investments are needed to comply with the stricter directive.

#### **A few chains determine the trade**

The stationary distribution of cosmetic products in Poland takes place primarily via three channels: Drugstores, discount stores and perfumeries. Almost 60 percent of all cosmetics sales take place in these stores. According to PZPK, online retail has a market share of over 16 percent - and rising - at the expense of brick-and-mortar stores. Despite the growing competition from online stores, new retailers are entering Poland. To date, four drugstore chains have dominated the market: Rossmann, Natura, Hebe and Super-Pharm. The German chain dm has also been involved since 2022. At the end of 2024, it had exactly 50 stores in Poland. A further 30 stores are set to open their doors by the end of 2025.

Which shopping channel customers use depends on the product they are looking for. According to PZPK, consumers mainly use drugstores for skin care products, baby care and make-up. Discount stores, on the other hand, score highly when selling hair care products, shower products and deodorants. Customers purchase perfumes and eau de toilette via online retailers.

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## GLOBAL EXPORTS

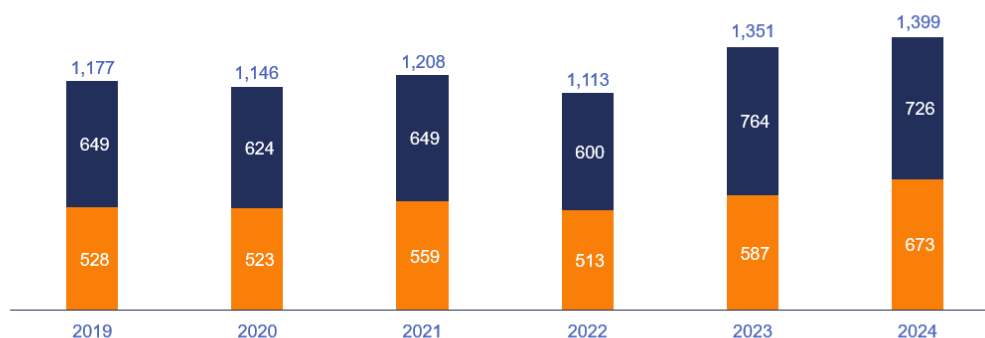
## Food Processing and Packaging Machinery to Poland

In million euros

■ Food Processing Machinery

■ Packaging Machinery

2024/2023: +3.6 %



Source: National Statistical Offices, VDMA



Food Processing and Packaging Machinery

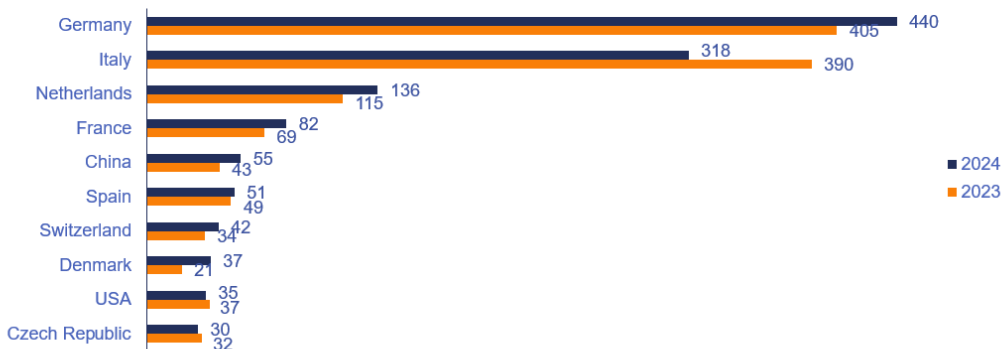
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## GLOBAL EXPORTS

Food Processing and Packaging Machinery to Poland  
TOP 10 Supplier Countries

Export 2024: 1,399 million euros, +3.6 %

In million euros



Source: National Statistical Offices, VDMA



Food Processing and Packaging Machinery

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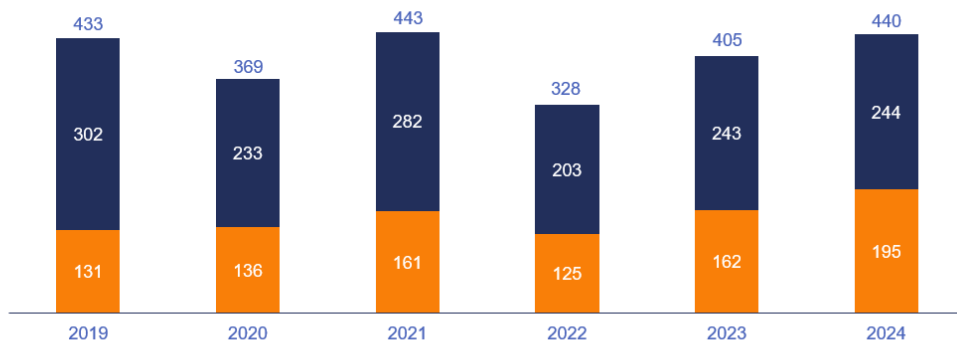
## GERMAN EXPORTS

## Food Processing and Packaging Machinery to Poland

In million euros

■ Food Processing Machinery ■ Packaging Machinery

2024/2023: +8.7 %



Source: National Statistical Offices, VDMA



Food Processing and Packaging Machinery

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## GERMAN EXPORTS

## Food Processing and Packaging Machinery to Poland

Exports 2024: 440 million euros, +8.7 %

in million euros



Source: National Statistical Offices, VDMA



Food Processing and Packaging Machinery

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