

**POLAND'S**

# **FOOD PRODUCTION AND PROCESSING**

INDUSTRY



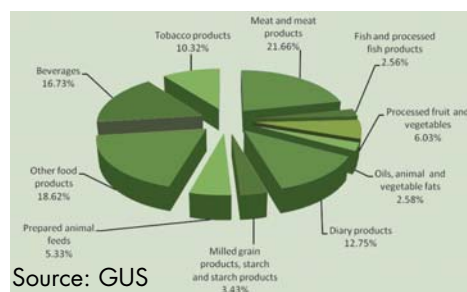
Polish Information and Foreign Investment Agency  
[www.paiz.gov.pl](http://www.paiz.gov.pl)

## Food market in Poland

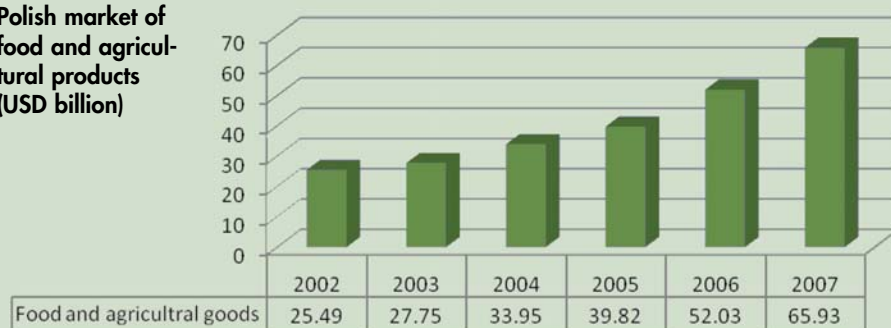
The Polish market of food and agricultural products is worth approximately USD 66 billion, with 84% of goods being supplied by domestic producers.

- In 2007 the share of the food industry (the tobacco sector included) in the sold production of the entire Polish processing industry was 21%.
- Imports increased in 2007 by 24% in comparison with the previous year, while domestic supply increased by 26%.
- In general, the value of the Polish food and agricultural market rose by 26% in comparison with 2006.

## Profile of sold production of food articles in Poland in 2007 in terms of value



## Polish market of food and agricultural products (USD billion)



Source: Central Statistical Office (GUS)

## Profile of the Polish food and agricultural market (USD billion)

	2002	2003	2004	2005	2006	2007
<b>Domestic supply</b>	21.91	23.73	28.55	33.12	44.01	55.51
<b>Imports</b>	3.58	4.01	5.43	6.70	8.02	10.42
<b>Total</b>	25.49	27.75	33.95	39.82	52.03	65.93

Source: GUS, Foreign Trade Data Centre (CIHZ), Ministry of Finance

## Sold production of food articles, beverages and tobacco products (USD billion)

	2002	2003	2004	2005	2006	2007
<b>Foods and beverages</b>	22.49	25.28	30.58	35.6	39.54	49.78
<b>Tobacco products</b>	2.71	2.97	3.33	4.18	4.47	5.72
<b>Total</b>	25.20	28.25	33.98	39.82	44.01	55.51

\*Data for enterprises employing more than 9 workers each  
Source: GUS

## Production of selected products of the Polish food industry

Products	Unit of measure	2003	2004	2005	2006	2007
<b>Pork</b>	thousand tonnes	1,032.8	1,017.2	1,203.1	1,185.5	1,221.2
<b>Poultry</b>	thousand tonnes	964.7	1,035.2	1,237.2	1,304.6	1,354.2
<b>Cured meat products</b>	thousand tonnes	801.5	855.8	755.8	821.6	845.4
<b>Cured poultry meat products</b>	thousand tonnes	85.5	109.2	126.2	107.6	118.4
<b>Frozen sea fish</b>	thousand tonnes	54.1	66.1	77.8	49.8	49.0
<b>Canned fish</b>	thousand tonnes	47.9	51.0	42.6	36.6	37.5
<b>Frozen vegetables</b>	thousand tonnes	371.1	395.4	436.2	472.5	496.8
<b>Vegetable preserves</b>	thousand tonnes	118.7	143.8	147.8	142.0	033.3
<b>Fruit and vegetable juices</b>	thousand hectolitres	8,930.5	8,590.6	8,601.1	7,938.0	6,637.9
<b>Processed liquid milk</b>	thousand hectolitres	19,923.6	20,868.4	22,908.7	22,935.0	24,000.0
<b>Butter</b>	thousand tonnes	167.0	177.2	179.5	173.3	181.9
<b>Cheeses and cottage cheese</b>	thousand tonnes	548.2	585.5	605.4	645.7	669.9
<b>Yoghurts</b>	thousand hectolitres	2,412.2	2,550.5	2,409.4	3,210.3	3,683.7
<b>Potato chips</b>	thousand tonnes	121.0	212.9	143.2	148.0	77.6
<b>Wheat flour</b>	thousand tonnes	2,417.8	2,285.2	2,487.9	2,542.8	2,399.0
<b>Feeds used in animal breeding</b>	thousand tonnes	5,596.3	5,464.0	5,278.2	6,336.7	7,053.4
<b>Fresh bakery products</b>	thousand tonnes	1,556.4	1,532.0	1,548.7	1,551.5	1,523.0
<b>Sugar (white sugar)</b>	thousand tonnes	1,906.3	1,999.4	2,080.3	1,579.1	1,856.2
<b>Pasta</b>	thousand tonnes	123.2	134.9	142.1	146.2	155.3
<b>Soups and bouillons, and products made of them</b>	thousand tonnes	41.7	43.4	49.5	54.0	69.0
<b>Spirits (100%)</b>	thousand hectolitres	795.6	868.6	790.2	833.4	927.5
<b>Beer</b>	thousand hectolitres	28,621.7	31,850.6	31,400	33,953.3	36,895.5
<b>Mineral water and carbonated water</b>	thousand hectolitres	19,671.4	18,393.8	22,723.2	25,698.5	27,077.1
<b>Non-alcoholic beverages</b>	thousand hectolitres	23,968.5	25,383.7	24,826.1	27,611.4	28,737.9
<b>Tobacco products</b>	thousand tonnes	90.5	80.1	96.2	122.0	149.8

Source: GUS

## Number of enterprises operating in the Polish food industry and tobacco sector (as of 3th quarter of 2008\*)

- The Polish food industry is made up of 28,820 entities. Additionally, there are 31 entities operating in the tobacco sector. As many as 20,142 food processing enterprises belong to the group of the smallest firms that employ fewer than 9 workers each

## Number of enterprises operating in the food industry in Poland

Item	Total number of enterprises	Number of employed persons			
		<9	10 -49	50 - 249	>249
<b>Food industry</b>	<b>28,820</b>	<b>20,142</b>	<b>6,914</b>	<b>1,465</b>	<b>299</b>
<b>Tobacco</b>	<b>31</b>	<b>13</b>	<b>6</b>	<b>4</b>	<b>8</b>

\* It is estimated that the actual number of operating enterprises may be lower by as much as 30% since the REGON register of economic entities is not updated by GUS. Thus, the register includes firms that no longer exist and firms that have never started the declared activities.

Source: GUS – REGON register of economic entities

Segment	Total number of enterprises	Number of employed persons			
		< 9	10-49	50-249	>249
<b>Meat and meat products (15.1)</b>	5,980	4,040	1,406	445	89
<b>Fish and processed fish products (15.2)</b>	707	490	147	56	14
<b>Processed fruit and vegetables (15.3)</b>	1,874	1,337	354	156	27
<b>Oils, animal and vegetable fats ( 15.4)</b>	211	165	33	9	4
<b>Dairy goods (15.5)</b>	1,125	781	132	159	53
<b>Milled grain products, starch and starch products (15.6)</b>	1,749	1503	185	56	5
<b>Animal feeds (15.7)</b>	834	608	187	32	7
<b>Other food products (15.8)</b>	14,868	10,172	4,104	455	67
<b>Beverages (15.9)</b>	1,542	1,046	366	97	33
<b>Total</b>	<b>28,820</b>	<b>20,142</b>	<b>6,914</b>	<b>1,465</b>	<b>299</b>

\* See note concerning REGON at the previous table  
Source: GUS – REGON register

## Sold production of meat and meat products\* (USD billion)

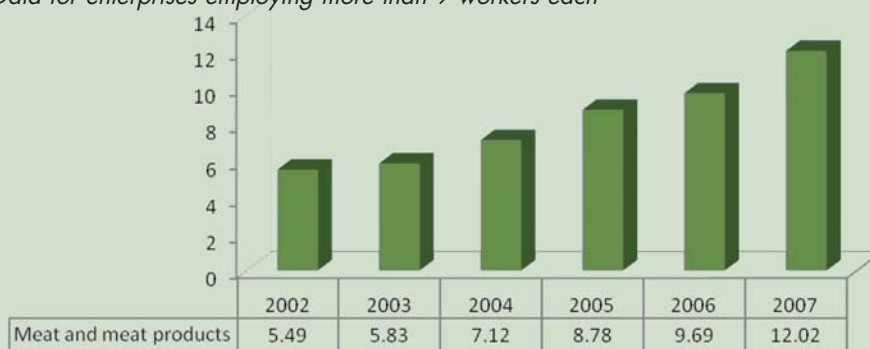
Poland's leading meat processing enterprises are:

- Grupa Animex (factories: Mazury Etł, Constar Starachowice, Agryf Szczecin, Morliny),
- Sokołów S.A. (factories in Sokołów Podlaski, Koło, Czyżew, Jarosław and Tarnów),
- Grupa Kapitałowa Duda, in Sosnowiec,
- Polski Koncern Mięсны Duda S.A., in Grąbkowo,
- Z.M. łmeat - łuków S.A.,
- PMB S.A., in Białystok,
- Prime Food Sp. z o.o., in Przechlewo,
- Z.P.M. MRÓZ Sp. z o.o., in Borek Wielkopolski.

The leading companies of the poultry sector are:

- Grupa Animex (Ekodrob, Suwalskie Zakłady Drobiarskie),
- Drosed S.A., in Siedlce,
- Indykpol S.A., in Olsztyn,
- Drobimex-Heinz, in Szczecin.

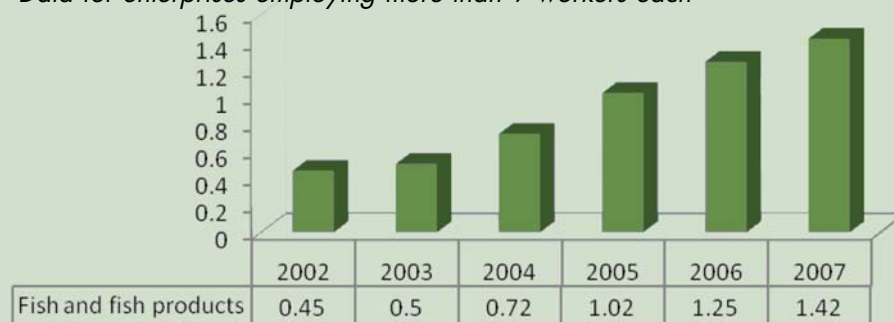
\* Data for enterprises employing more than 9 workers each



Source: GUS

## Sold production of fish and fish products in Poland- (USD billion)

\* Data for enterprises employing more than 9 workers each



Source: GUS

The largest fish processing enterprises are:

- Morpol S.A.,
- Laurin seafood Sp. z o. o.,
- Espersen Polska Sp. z o. o.,
- Graal S.A.
- Wilbo S.A.,
- Suempol Sp. z o. o.,
- Superfish S.A., in Kukinia (owned by the concern Orkla Foods),
- Lisner Sp. z o. o. (owned by the British concern Uniq plc),
- Rieber Foods Polska (owned by the Norwegian company Rieber & Son),
- Nord Capital Sp. z o. o.

Fish has a relatively low share in the total food consumption in Poland. Poles consumed on average 12.6 kg of fish per capita in 2007, whereas the average consumption in Europe (depending on the region) is twice as great.

**Sold production of the fruit and vegetable processing industry in Poland\* (USD billion)**

The leading fruit and vegetable processing enterprises are:

- Hortex Holding S.A. (factories in Góra Kalwaria, Siemiatycze, Środa Wielkopolska, Płońsk and Leżajsk, Skierniewice, Przysucha, Ryki and Lipsk),
- Bonduelle Polska (factory in Gniewków),
- Pudliszki (owned by H.J. Heinz Co.),
- Kotlin,
- Materne,
- Agros Nova,
- Grupa Maspex Wadowice,
- Sonda,
- Alima Gerber,
- Dr Witt, Clippo,
- Hellena.

The fruit consumption per capita in 2007 was 52 kg, a 4.4% decrease from 2006.

The vegetable consumption per capita in 2007 was 111 kg, unchanged from 2004

**Sold production of the industry producing edible oils and fats\* (USD billion)**

Poland's leading producers of edible oils and fats are:

- SZPT Van den Bergh Foods, owned by the concern Unilever (factories in Szopienice and Trzebinia),
- Zakłady Tłuszczowe, in Kruszwica,
- Zakłady Przemysłu Tłuszczowego, in Warsaw,
- Wielkopolskie Zakłady Przemysłu Tłuszczowego, in Szamotuły,
- Olvit, in Gdańsk,
- Bielmar, in Bielsko-Biała.

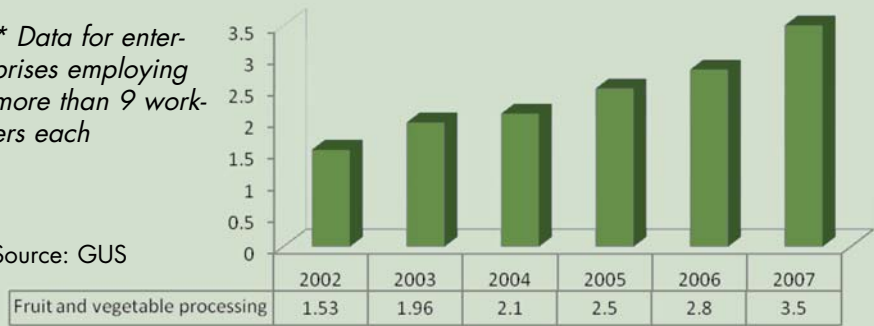
Edible animal fat consumption in 2007 per capita was 6.1 kg per capita, but 4.3 kg

**Sold production of the Polish dairy sector\* (USD billion)**

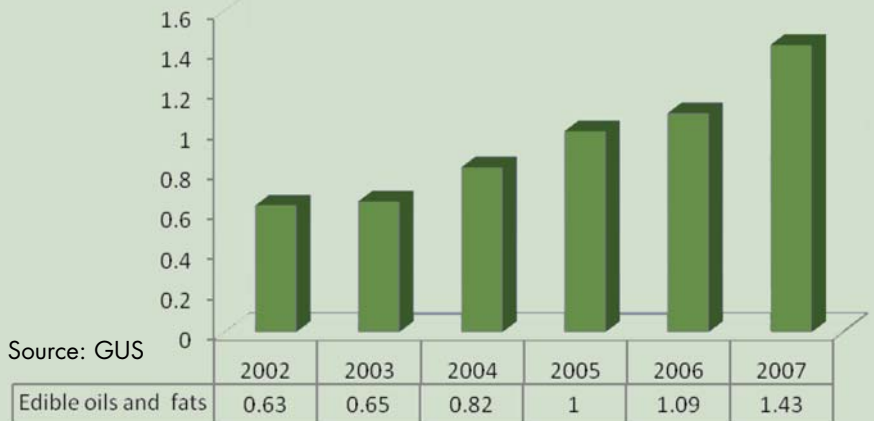
The dairy sector's leading enterprises are:

*\* Data for enterprises employing more than 9 workers each*

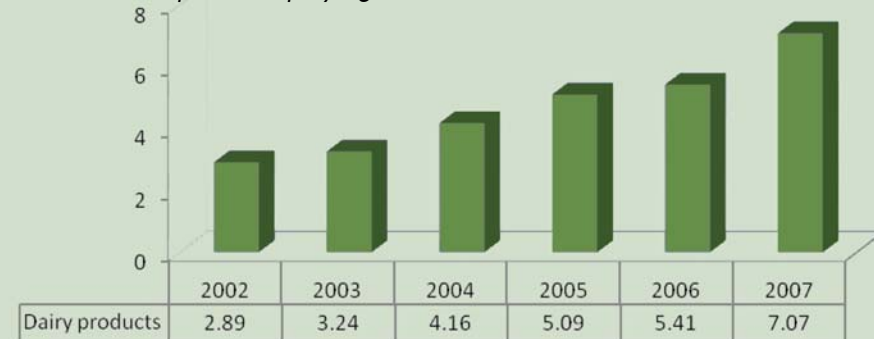
Source: GUS



*\* Data for enterprises employing more than 9 workers each*



*\* Data for enterprises employing more than 9 workers each*



Source: GUS

- SM Mlekpól, in Grajewo,
- Danone Sp. z o.o., in Warsaw,
- SM Mlekovita, in Wysokie Mazowieckie,
- Hochland Polska Sp. z o.o.,
- OSM Łowicz,
- SM Gostyń,
- Bel Polska Sp. z o.o.,
- OSM Radomsko,
- SM Spomlek, in Radzyń Podlaski,
- MSM Ostrowia, in Ostrowia Mazowiecka
- OSM Koło.

The milk consumption per capita in 2007 was 173 litres, a 2% decrease from 2006.



### Sold production of the Polish grain and starch sector\* (USD billion)

The leaders of the grain processing sector are:

- Polskie Młyny S.A.,
- PZM Stożów, near Koszalin,
- PZZ Bolesławiec,
- Gdańskie Młyny i Spichlerze,
- Podlaskie Zakłady Zbożowe S.A., in Białystok,
- Lubella, in Lublin,
- PZZ Kraków,
- PZZ Rzeszów,
- Zamojskie Zakłady Zbożowe.

Per capita consumption of processed products from the four main grains in Poland was 115 kg in 2007, a 3.5% decrease from 2005.

### Sold production of the animal feed industry in Poland\* (USD billion)

• The combined value of the sold production of other food articles and animal feeds was USD 13,28 billion in 2007 and has increased by 26% in dollar terms compared to 2006.

• Poland's major producers of animal feeds are:

- Provimi-Rolimpex S.A., in Warsaw,
- Cargill Polska, in Siedlce,
- Koudijs Pasze Sp. z o.o., in Łęczyca,
- Wipasz Sp. z o.o., in Olsztyn.

Polish imports of food and agricultural products in 2007

by origin • (USD 10.42 billion = 100%)

### Sold production of the sector supplying other food articles in Poland\* (USD billion)

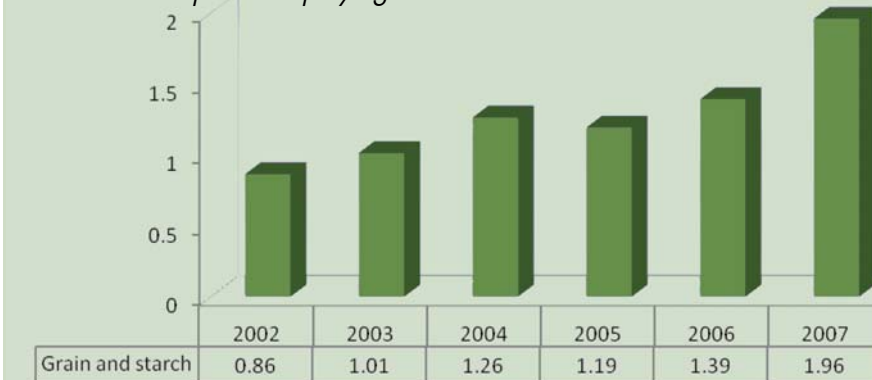
• The sector of other food articles covers the production of food concentrates, spices, instant meals, sugar, coffee, tea and other products that do not fall into the categories of goods supplied by the main branches of the food industry.

### Sold production of the Polish beverage industry\* (USD billion)

The leading producers of mineral water, table water and non-alcoholic beverages:

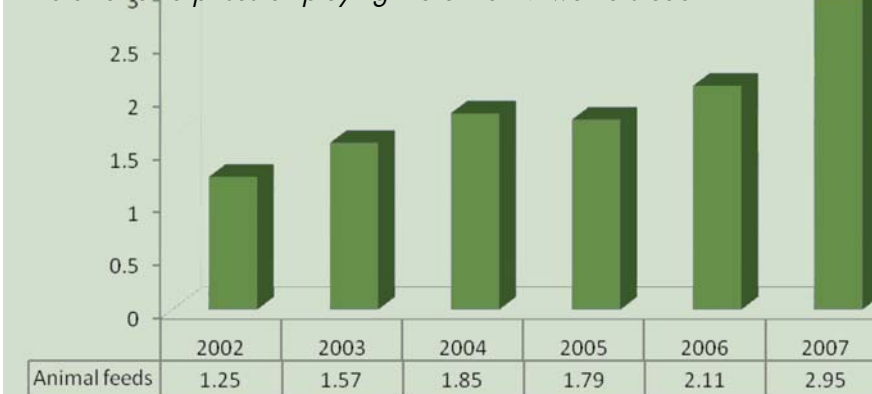
- Coca Cola,
- PepsiCo,
- Danone,
- Nestle,
- Hoop,
- Hellen.

\* Data for enterprises employing more than 9 workers each



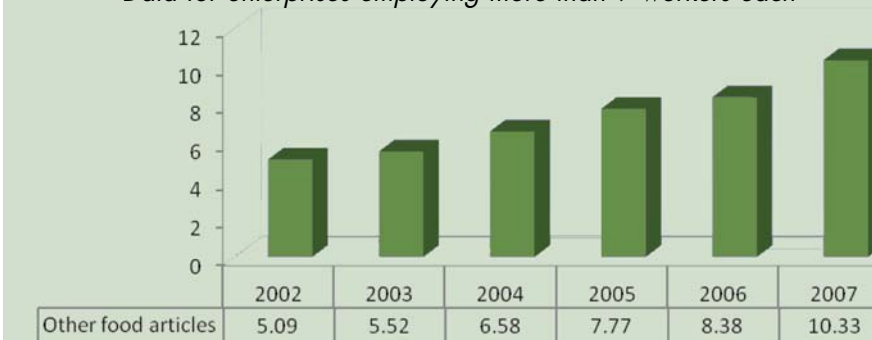
Source: GUS

\* Data for enterprises employing more than 9 workers each



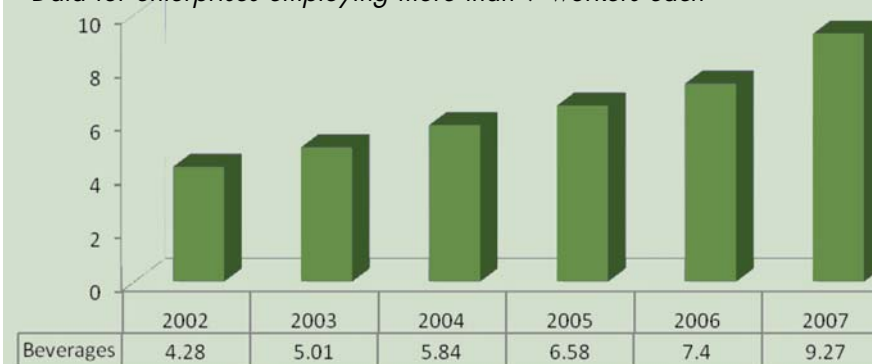
Source: GUS, 2006 USD = 3.1025, 2007 USD = 2.7657

\* Data for enterprises employing more than 9 workers each



Source: GUS

\* Data for enterprises employing more than 9 workers each



Source: GUS

The leading producers of beer:

- Grupa Żywiec (owned by Heineken),
- Kompania Piwowarska (owned by SAB),
- Carlsberg - Okocim.

The largest producers of vodka:

- Polmos Białystok,
- Wyborowa S.A.,
- LWWG Polmos S.A., in Zielona Góra,
- KS Wratysłavia Polmos S.A., in Wrocław,
- ŚWWG Polmos S.A., in Bielsko-Biała,
- Sobieski Dystrybucja.

The consumption of vodka, liqueurs and other alcoholic beverages in Poland in 2005, in terms of 100% pure spirit, was 2.5 litres per capita, in 2006, in terms of 100% pure spirit, was 2.7 litres per capita.

The compound annual growth rate of the market volume in the period 2003-2007 was 3%.

#### Sold production of the Polish tobacco sector (USD billion)

Key manufacturers of tobacco products in Poland:

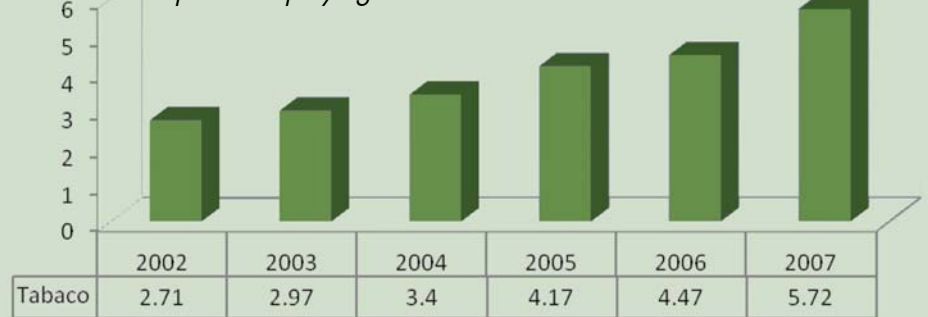
- Philip Morris Polska S.A.,
- Imperial Tobacco Polska S.A.,
- British American Tobacco Polska S.A.,
- Scandinavian Tobacco S.A.,
- Altadis Polska S.A.

The Polish tobacco market grew by 1.3% in 2007 to reach a value of \$5.7 billion. The compound annual growth rate of the market in the period 2003-2007 was 1.5%.

#### Profile of Polish food and agricultural exports in 2007 by destination\* (USD 12.54 billion = 100%)

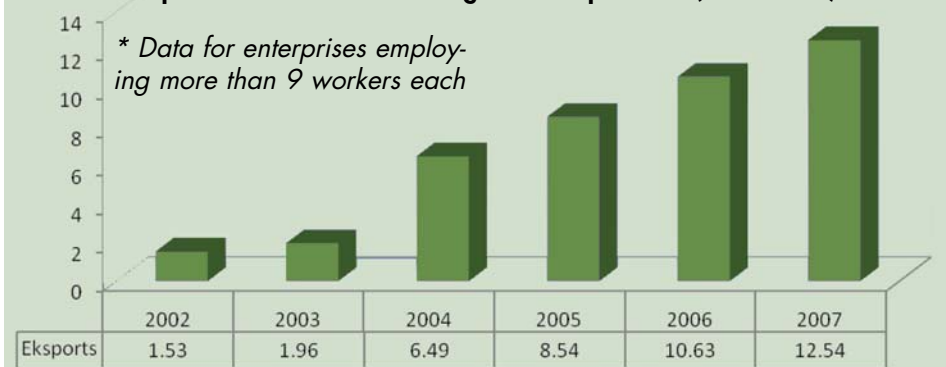
- Poland is a major exporter of food and agricultural products. In 2007 such exports exceeded USD 12.54 billion and accounted for 18% of the sold production of the Polish food and agricultural sector.
- According to data from the Institute of Agricultural and Food Economics (IERiGŻ), in 2007 a deterioration of the balance of trade was reported in the case of developing countries and other but much smaller partners. An

\* Data for enterprises employing more than 9 workers each



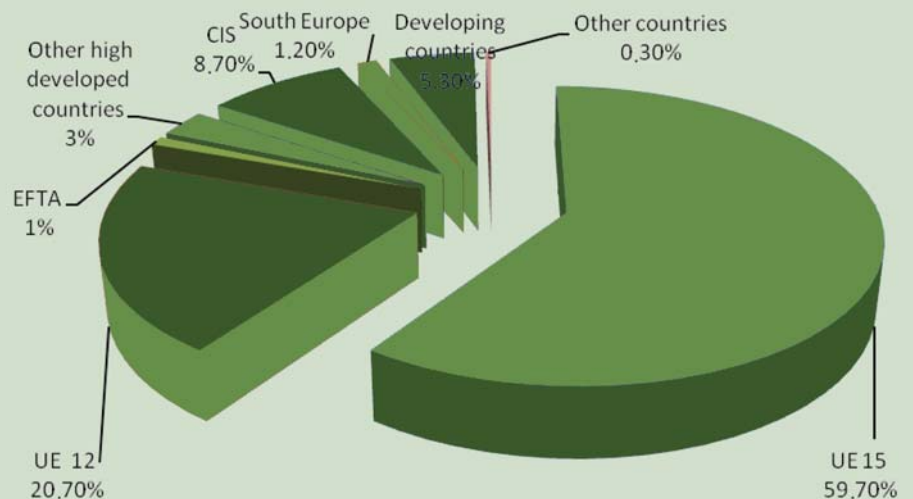
Source: GUS

#### Exports of Polish food and agricultural products (USD billion)



Source: GUS, Ministry of Finance

\* Other high developing countries: USA, Canada, RSA, Israel, Japan, Australia, New Zealand; EFTA: Iceland, Liechtenstein, Norway and Switzerland; CIS: Armenia, Belarus, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine and Uzbekistan; South Europe: Albania and ex Yugoslavia.



Source: Institute of Agricultural and Food Economics (IERiGŻ)

improvement was observed in trade with the EU-27 and other developed countries and the Balkan countries. The value of agri-food exports in 2008 is forecast 6% up on 2007

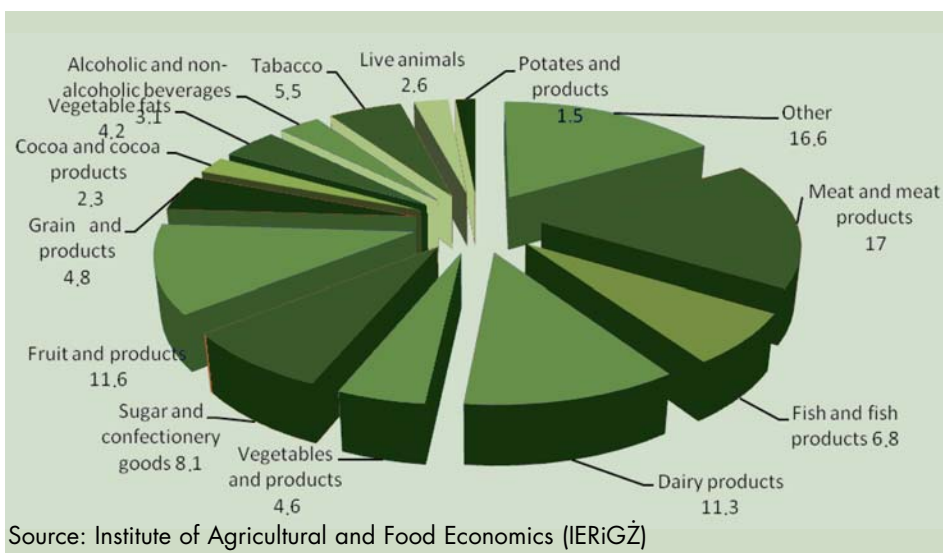
- The main buyers of Polish food and agricultural products are countries of the old European Union (EU-15), which had a share of approximately

56.3% in the overall exports of Poland's food and agricultural sector in 2007. The largest buyers among EU countries are Germany, Netherlands and the United Kingdom. About 10.8% of food and agricultural exports go to the other 12 new EU member states.

#### Profile of Polish food and agricultural exports in 2007 in terms of value

- According to data from the Institute of Agricultural and Food Economics (IERiGŻ), food articles account for about 80% of the total value of food and agricultural exports, with agricultural products accounting for the rest. The increasing share of processed goods in food and agricultural exports attests to the progressing modernisation of the Polish food industry and its gradual adjustment to western standards.
- Poland is a traditional exporter of meat, fruit and vegetable preserves, and dairy goods.

#### Net profitability of food by main sectors, quarters 1/2007 (%)



Segment	%
<b>Total</b>	2.32
<b>Operation of dairies and cheese making</b>	- 0.46
<b>Production and preserving of meat</b>	1.73
<b>Meat and poultry meat products</b>	2.87
<b>Processing and preserving of fruit and vegetables</b>	4.61
<b>Cocoa, chocolate and sugar confectionery</b>	10,14
<b>Sugar</b>	-9.34
<b>Grain mill products</b>	4.15
<b>Fish and fish products</b>	4.33
<b>Processing and preserving of potatoes</b>	-5.24
<b>Manufacture of starches and starch products</b>	10,98
<b>Margarine and similar edible fats</b>	4.84

Source: Effect/GUS

#### Employment in the Polish food industry and tobacco sector\* (thousand people)

- The Polish food products and beverages industry employs close to 417,800 people, or 18.0% of all persons working for the processing industry. Additionally, the tobacco sector employs 6,600 workers, or 0.2% of all persons working for the processing industry (data for enterprises employing more than 49 workers each).

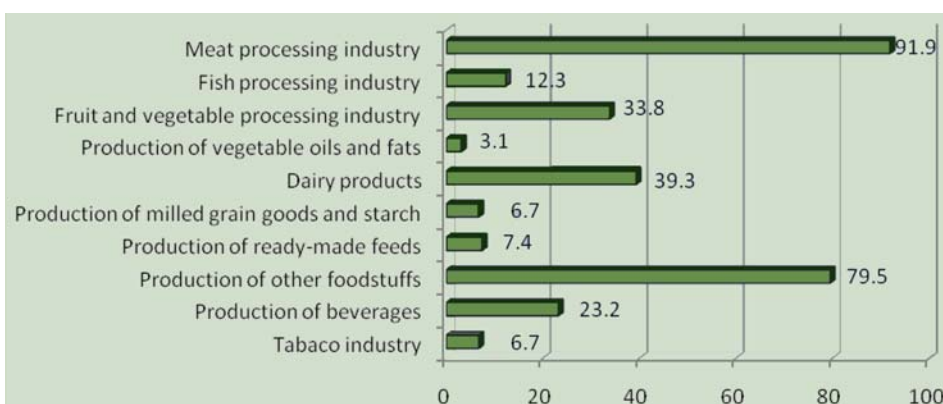
	2002	2003	2004	2006	2007
<b>Food products and beverages industry</b>	430,7	427.7	422.9	417,6	417,8
<b>Growth rate (previous year = 100)</b>	99.97	99.98	99.98	9.97	100.05
<b>Tobacco sector</b>	7.5	6.3	6.4	6,3	6,6
<b>Growth rate (previous year = 100)</b>	99.90	99.84	101,6	98,46	104.77

\* Data for enterprises employing more than 9 workers each  
Source: GUS

#### Employment in specific segments of the Polish food industry in 2007 (thousand people)

- More than 30% of Polish food industry workers are employed in the meat processing sector, 13% in the dairy industry, 11% in the fruit and vegetable processing industry, and 8% in the beverage industry.

#### Value of investment in the Polish food industry and tobacco sector (USD mil-



lion)

Combined foreign direct investments (as of end of 2007)

Largest foreign investors in the Polish food industry and tobacco sector as of the end of 2006 (USD million – cumulative data)

	2002	2003	2004	2006	2007
Investments in the food industry	809.9	1,115.6	1,795.5	2,166.2	1,932.2
Growth rate (previous year = 100)	102.4	137.7	160.9	120.64	89.2
Investments in the tobacco sector	56.8	66.5	62.7	137.9	135.8
Growth rate (previous year = 100)	91.5	117.2	99.94	219,9	98.5

Source: GUS

Sector	Capital invested (EUR million)
Food products	304.2

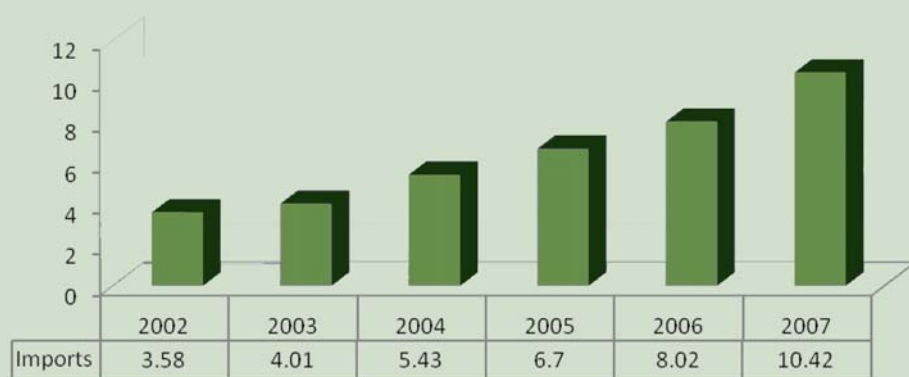
Source: Polish Information and Foreign Investment Agency (PAIIZ),NBP

Investor	Country of registration	Country of origin	Activities(class)
Heineken International B.V.	The Netherlands	The Netherlands	Manufacture of beverages
Coca-Cola Hellenic Bottling Company	Greece	USA	Manufacture of beverages
Imperial Tobacco Plc	United Kingdom	United Kingdom	Manufacture of tobacco products
Nestle S.A.	Switzerland	Switzerland	Manufacture of other food products; Manufacture of beverages;
House of Prince Denmark A/S	Denmark	Denmark	Manufacture of tobacco products
CEDC (Central European Distribution Corporation)	USA	USA	Manufacture of beverages; Wholesale of food, beverages and tobacco
Saturn Nordic Holding AB	Sweden	Denmark	Production, processing and preserving of meat and meat products
Harbin B.V.	The Netherlands	The Netherlands	Manufacture of beverages
British American Tobacco GmbH	Germany	United Kingdom/USA	Manufacture of tobacco products
Philip Morris Holland B.V.	The Netherlands	The Netherlands	Manufacture of tobacco products
PepsiCo	USA	USA	Manufacture of beverages
Marga B.V.	Netherlands	Netherlands	Manufacture of vegetable and animal oils and fats; Processing and preserving of fish and fish products; Manufacture of soap and detergents, cleaning and polishing preparations, perfumes and toilet preparations
Sudzucker AG	Germany	Germany	Manufacture of other food products
Ferrero Group	Italy	Italy	Manufacture of other food products
Mars Inc.	USA	USA	Manufacture of prepared animal feeds; Manufacture of other food products
Saint Louis Sucre International S.A.S.	France	France	Manufacture of other food products
Cargill Inc.	USA	USA	Manufacture of prepared animal feeds
Wm. Wrigley Jr. Company	USA	USA	Manufacture of other food products
BSN Gervais Danone	France	France	Manufacture of other food products
Orkla Foods A.S.	Norway	Norway	Processing and preserving of fruit and vegetables
Cadbury's Schweppes Plc	United Kingdom	United Kingdom	Manufacture of other food products
Carlsberg Breweries A/S	Denmark	Denmark	Manufacture of beverages

Source: PAIIZ



## Polish imports of food and agricultural products (USD billion)

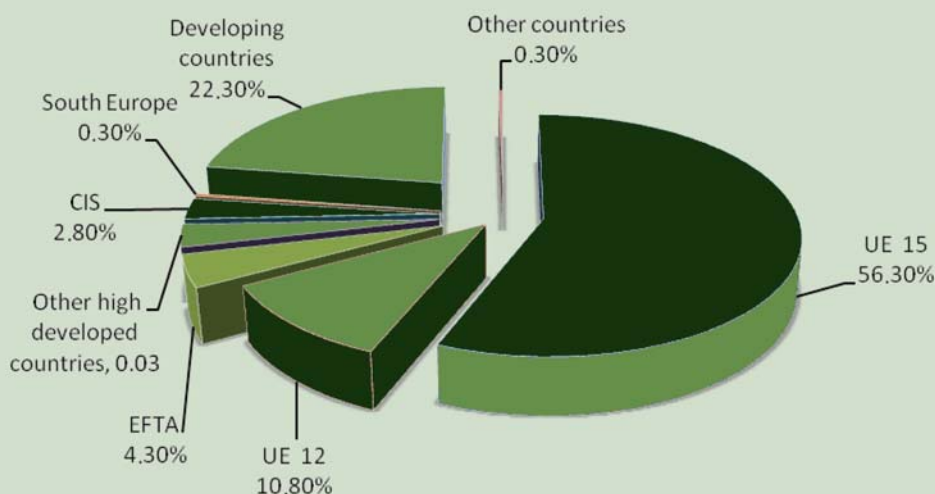


Source: GUS, Ministry of Finance, 2006 USD =3.1025, 2007 USD =2.7657

## Polish imports of food and agricultural products in 2007 by origin\* (USD 10.42 billion = 100%)

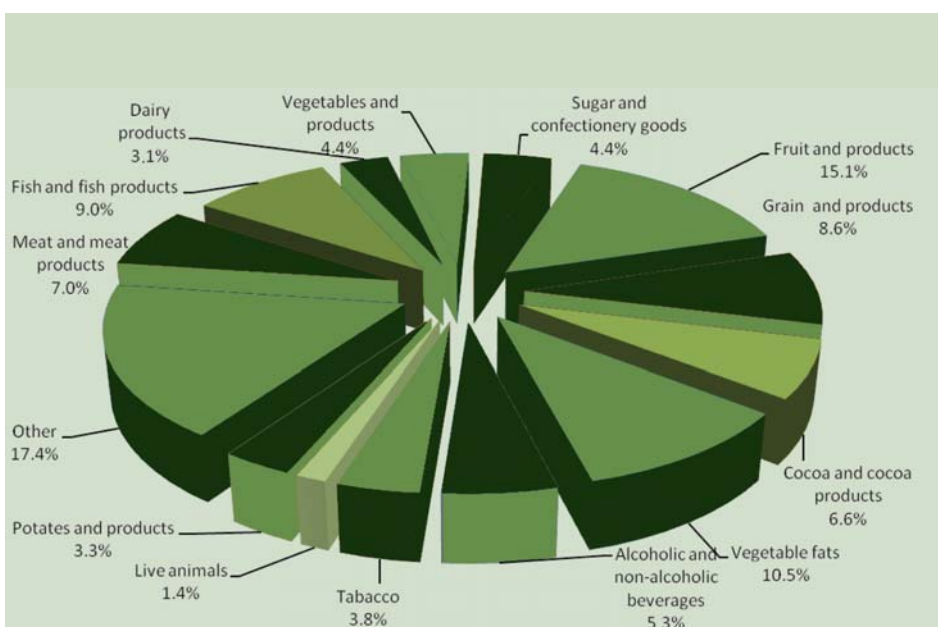
- In terms of value imports accounted for over 14% of the Polish market of food and agricultural products.
- The main suppliers of food and agricultural products to Poland are the EU-15 countries, which accounted for 56% of the overall Polish imports of such goods in 2007. 10.8% of food and agricultural imports come from other new EU member states.

\* Other high developing countries: USA ,Canada, RSA, Israel, Japan, Australia, New Zealand; EFTA: Iceland, Liechtenstein, Norway and Switzerland; CIS: Armenia, Belarus, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine and Uzbekistan; South Europe: Albania and ex Yugoslavia .



## Profile of Polish food and agricultural imports in 2007 (USD 10.42 billion = 100%)

- Polish food and agricultural imports are dominated by products coming from other climatic zones. These are mainly fruits and nuts not grown in Poland, animal feed, fish, and coffee, tea and cocoa.
- A considerably higher share of agricultural products in Polish imports than in Polish exports indicates that Poland is gradually increasing purchases of raw materials and semi-finished goods, which are further processed by the domestic industry.



Source: Institute of Agricultural and Food Economics (IERiGŻ)

## Comparison of the Polish and EU food industries

- Poland's accession to the European Union on 1 May 2004 has improved the position and competitiveness of the Polish food and agricultural sector.
- From 1 May 2004:
  - the European Union has removed duty-free quotas for some food and agricultural products (e.g. meat), which earlier protected the common market against the inflow of large quantities of cheaper food from Poland,
  - exports of the Polish food industry have become intra-EU sales,
  - burdensome customs inspections of Polish goods crossing the EU border have been eliminated, allowing delivery time to be cut,
  - exporters from the Polish food sector can use the same mechanisms supporting the export of goods to markets outside the European Union as firms from other EU countries.
- The full opening of the markets and the removal of customs formalities have resulted in a higher demand for products of the Polish food and agricultural sector, especially meat and meat products, milk and dairy goods. Consequently, both the procurement prices of slaughter animals and milk, and the prices of processed goods have risen considerably in Poland.
- The comparative advantages of the Polish food and agricultural sector vis-a-vis the EU food and agricultural sector, in terms of prices for raw materials and labour costs, make it possible to forecast further growth of this sector of the Polish economy and expansion of exports to EU markets.
- In connection with Poland's accession to the European Union, the Polish food industry was required to adjust to sanitary-veterinary standards and environmental protection norms binding in the EU.
- Particularly strict regulations relate to the processing of animal products, mainly such products as meat, milk and fish. All meat, fish and milk processing enterprises had to fully meet the EU hygienic-sanitary requirements ahead of Poland's accession to the European Union.

- Some enterprises were given a grace period to adjust to EU norms. However, these norms relate to technical and structural issues exclusively.
- The legal basis for the food safety is provided by:
  - Act on Health Conditions of Food and Nutrition dated 11 May 2001 (Journal of Laws No. 63 item 64 as amended),
  - Act on Commercial Quality of Agricultural and Food Products dated 21 December 2000 (Journal of Laws No. 5 item 45 as amended).

## Prospects

- Overall, the food processing industry is expected to grow, especially thanks to disappearance of customs barriers after EU accession, which has resulted in an increase in Polish exports of food and agricultural products by nearly 40% in 2005 and is estimated to go up further.
- Poles now buy more and more mineral water, juices and fruit drinks. Production of these beverages is estimated at 5.7 billion litres and is expected to rise to 6 billion litres.
- Due to an increase in excise tax, there has been a decline in sales of spirits. However, it is envisaged that the consumption of beer will grow from 80 litres per capita to 100 litres in the near future.
- After EU accession, Polish breweries also commenced an export offensive. 2004 was a record year for beer exports, with 400,000 hectolitres. Sales of Polish beer are steadily rising, and not just amongst Polish expatriates. Okocim and Żywiec are available in Chicago (having been on the American market for 40 years), and in London it is possible to buy Carlsberg brewed in Brzesko. Brok is sold in Hungarian supermarkets, Żywiec exported its beer in 2004 to the USA, Canada, Great Britain and other countries, whereas Okocim sent its beer to Great Britain, Slovakia and Hungary.
- Polish dairy products are becoming competitive on the EU market. Last year, in addition to powdered milk

(up to now a Polish speciality), yoghurt and cheese have also been selling very well. After entry into the EU the demand for Polish meat rose sharply. Beef and poultry are proving to be the most popular meats.

- It is predicted that by 2010, total consumption of fresh fruit and vegetables in Poland will rise by 300,000 tonnes, 7 - 10% higher than in 2004, whereas consumption of processed fruit and vegetables is expected to rise by 360,000 tonnes, a 20% increase.
- Consolidation on the edible fats sector is currently underway. Zakłady Tłuszczowe in Kruszwica, the biggest producer of edible fats in Poland, is going to acquire Ewico in Brzeg and Olvit in Gdańsk in one year's time, thus reaching a total market share of 40%. The demand for edible oils will increase further thanks to the growth of demand for biofuels.



## Invest in Poland

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