15 years of Poland in the European Union
Table of Contents

15 years of Poland in the European Union ......................... 4
Free trade’s rapid growth ........................................ 6
Companies expand ................................................... 8
In pursuit of technology ............................................ 10
Open borders.......................................................... 12
...bring tourists joy ................................................ 14
It’s coming in our wallets .......................................... 16
Poland. Under construction ...................................... 18
Poland is getting greener .......................................... 20
Nearly 16 years ago, on the 7th and 8th of June 2003, over 13.5M Poles answered “YES” to the question: “Do you approve of the Republic of Poland’s accession to the European Union?”. One year later, on the 1st of May 2004 Poland joined the Union together with nine other countries. Poland’s integration with the rest of the EU deepened over the years. Some old member states: Great Britain, Sweden and Ireland, opened their labor markets to Polish workers as early as 2004. A tide of Polish migration rose as other countries followed the pattern. Last countries to welcome Polish employees were Austria and Germany, which did so in 2011. Now, over a million Poles reside in the UK alone, compared to mere 70 thousand in 2003. In 2017 as many as 2.1M of our countrymen resided temporarily in other EU states. Another important milestone in European integration was Poland’s 2007 entry to the Schengen Area. The ability to travel the European Union freely remains possibly the most noticeable benefit of Poland’s EU membership.

Poland’s economy has flourished thanks to the EU membership. Exports have exceeded 200M EUR yearly owing to a free, common market. In the years 2015–2017 Poland’s net exports were positive for the first time in the XXth century. Open market allowed Polish entrepreneurs, especially in the construction business to bid for tenders under fair treatment in the entire EU. Foreign direct investment to Poland rose sharply after the accession in 2004. Structural funds equaling 164B EUR, twice the country’s budget have or will have shortly arrived to Poland. Most of new infrastructure, such as highways, express roads or sewage treatment plants has been financed with the EU funds. Inclusion in the European value chains, made possible by the EU membership, has boosted Polish economy by more than a quarter, according to some research.

Polish people have remained very much pro-European. 4 out of 5 consider themselves EU citizens and 47% trust the Union. Although this is less than during the peak (62% in 2007) it remains on par with other EU countries. Regardless, it can be established that the 15 year long membership has caused outstanding euro enthusiasm in the Polish society. This is an important conclusion, drawn in the light of Brexit and the unease regarding the very integrity of the European Union.

In a wider context of IIIrd RP’s 30th anniversary and 100th anniversary of Poland’s independence, the period since the accession can be considered a time of great economic prosperity. Not just the economy, but the entire state has changed. Joining the EU harmonized the law, streamlined financial flows and eliminated many trade barriers. Some challenges still remain, ranging from the debate regarding Eurozone accession to a proper reform of the entire Union, aimed at make it competitive with global superpowers.

In the next 15 years Poland can join the G20, and the European Union can remain one of the most powerful economies in the world, alongside China and the USA. Another enlargement lies ahead, which offers a chance for Poland to share its experiences with the Balkan states.

I encourage you to read this report, prepared by the Polish Economic Institute, which summarizes Poland’s presence in the Union. In this text we intend to present the change experienced by our country in the last 15 years and encourage further discussion regarding directions, means and the quality of changes in the next 15 years and more.

Piotr Arak
Director of Polish Economic Institute
15 years of Poland in the European Union

**POPULATION**

- **38.4M**
  - Poland’s population in 2017, circa 200 thousand more than in 2004

- **82 years**
  - Life expectancy of a Polish female in 2017, 80 years in 2004

- **74 years**
  - Life expectancy of a Polish male in 2017, 71 in 2004

- **21%**
  - In 2017 21% of Poles were in the retirement age. 15% in 2004

- **15%**
  - In 2017 15% of Poles were younger than 15. 17% in 2004

- **29.6 years**
  - Average age of a Polish male at the time of his first marriage in 2017, 27.5 in 2004

- **27.3 years**
  - Average age of a Polish female at the time of her first marriage in 2017, 25.1 in 2004

**AVERAGE POLE**

- **7h 15min**
  - Was the duration of a Polish citizen’s average workday. 7h 30min in 2004

- **60%**
  - Of Poles lived in cities in 2017. 62% in 2004

- **26%**
  - Of Poles aged 15–64 has an university degree, 13% in 2004

- **38%**
  - Of Poles read at least one book in 2017, 58% in 2004

- **24%**
  - In 2017 24% of Polish adults smoked. 30% smoked in 2004

- **23%**
  - In 2016 21% of adult Poles were obese, 19% in 2004

Source: GUS, NBP, Google, Ministerstwo Cyfryzacji, ZPAV, CBOS, Eurobarometer
Free trade’s rapid growth

Polish exports amounted to 48B EUR in 2003. During the last 15 years this value has quadrupled. 100B mark was reached in 2010, 200B in 2017. Out of the 220B worth of exports in 2018, circa 80% have reached other EU member states. Germany remains our largest trade partner. Polish companies sell there nearly 28% of export produce and import 23% of all the goods reaching Poland.

Bestsellers (value of exports in 2017)

- **11.0B EUR**
  - Vehicle parts and accessories

- **6.7B EUR**
  - Cars

- **5.2B EUR**
  - Chairs

- **4.0B EUR**
  - TVs

Source: UN comtrade

High tech exports (percentage of all goods exports)

- **3.3%**
  - 2004

- **7.7%**
  - 2017

Source: World Bank
Primary EU export destinations

$169.6B$ EUR
value of exports to the EU in 2018

Poland’s trade balance, 2003–2018

Source: Eurostat


Source: UN comtrade
Companies expand

In 2017 10 largest companies reported an income of 332B PLN, three times more than 10 largest companies of the time did in 2004.

PKN Orlen remains the leader, but its position can soon be challenged by Jeronimo Martins Poland (owner of the Biedronka groceries), which has doubled its income since 2012. Warsaw Stock Exchange flourished thanks to enterprise development. The number of listed companies has increased twofold and total capitalization nearly quadrupled.

### R&D expenditure (%GDP)

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>0.6%</td>
</tr>
<tr>
<td>2017</td>
<td>1%</td>
</tr>
</tbody>
</table>

Source: OECD

### Nominal employment

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>13,795,000</td>
</tr>
<tr>
<td>2017</td>
<td>16,423,000</td>
</tr>
</tbody>
</table>

Source: GUS

### Stock exchange development

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>1,128</td>
</tr>
<tr>
<td>2017</td>
<td>2,277</td>
</tr>
<tr>
<td></td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>465</td>
</tr>
<tr>
<td></td>
<td>230</td>
</tr>
<tr>
<td></td>
<td>51</td>
</tr>
<tr>
<td></td>
<td>57,691</td>
</tr>
<tr>
<td></td>
<td>26,636</td>
</tr>
<tr>
<td></td>
<td>1,961</td>
</tr>
</tbody>
</table>

Source: GPW
### Largest companies of 2004 and 2017 in terms of income

<table>
<thead>
<tr>
<th>2004</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PKN Orlen</strong></td>
<td><strong>Jeronimo Martins Polska SA</strong></td>
</tr>
<tr>
<td>Telekomunikacja Polska</td>
<td>18.6B</td>
</tr>
<tr>
<td>PZU</td>
<td>16.0B</td>
</tr>
<tr>
<td>Polskie Sieci Energetyczne</td>
<td>15.8B</td>
</tr>
<tr>
<td>Metro AG</td>
<td>11.6B</td>
</tr>
<tr>
<td>Profus Management</td>
<td>10.5B</td>
</tr>
<tr>
<td>Grupa Lotos</td>
<td>10.3B</td>
</tr>
<tr>
<td>Fiat Auto Poland</td>
<td>10.1B</td>
</tr>
<tr>
<td>Mittal Steel Poland</td>
<td>9.6B</td>
</tr>
<tr>
<td>Kompania Węglowa</td>
<td>9.1B</td>
</tr>
</tbody>
</table>

### Largest investors 2017 (PLN)

<table>
<thead>
<tr>
<th>Company</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>PGE SA</td>
<td>32B</td>
</tr>
<tr>
<td>Tauron</td>
<td>26B</td>
</tr>
<tr>
<td>PGNiG SA</td>
<td>19B</td>
</tr>
<tr>
<td>KGHM Polska Miedź SA</td>
<td>11B</td>
</tr>
<tr>
<td>PKN Orlen</td>
<td>11B</td>
</tr>
<tr>
<td>Polkomtel sp z o o</td>
<td>6B</td>
</tr>
</tbody>
</table>

### Biggest employers 2017

<table>
<thead>
<tr>
<th>Company</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>PKN Orlen</td>
<td>74,601</td>
</tr>
<tr>
<td>Jeronimo Martins Polska SA</td>
<td>59,882</td>
</tr>
<tr>
<td>PGNiG SA</td>
<td>43,310</td>
</tr>
<tr>
<td>Grupa Lotos</td>
<td>41,231</td>
</tr>
<tr>
<td>Eurocash</td>
<td>40,171</td>
</tr>
<tr>
<td>PGE SA</td>
<td>39,349</td>
</tr>
</tbody>
</table>

Source: “Rzeczpospolita”
In pursuit of technology

Poland’s accession to the EU coincided with the spread of one of the most groundbreaking innovations in human history – the Internet.

Informatization and internetization processes have begun earlier in the old EU than in Poland. In 2004 we have not yet met the European standards in these areas. 15 years later, the differences have largely been bridged. Most Poles have access to the Internet and use it for banking and shopping. Public offices and administration also follow the informatization trend. Each year more and more formalities can be arranged from home.

### Informatization of Poland

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>1/3 of Poles use the Internet. Onet.pl is the most popular website with 6.8M monthly users</td>
</tr>
<tr>
<td>2005</td>
<td>Number of debit cards reaches 20M</td>
</tr>
<tr>
<td>2006</td>
<td>The largest social networking site in the history of Poland – nasza klasa – launches</td>
</tr>
<tr>
<td>2007</td>
<td>Number of cellphones exceeds the population count. First paypass cards</td>
</tr>
<tr>
<td>2008</td>
<td>Every second household has access to the internet. e-PUAP, e-Declarations</td>
</tr>
<tr>
<td>2009</td>
<td>Every fourth Pole uses internet banking and does online shopping</td>
</tr>
<tr>
<td>2010</td>
<td>Ministry of administration and digitization is created</td>
</tr>
<tr>
<td>2011</td>
<td>Last phase of TV digitization begins. First analog broadcasting stations are turned off</td>
</tr>
<tr>
<td>2012</td>
<td>Operating program &quot;digital Poland&quot; is launched. Over 4B PLN to be spent on digitization</td>
</tr>
<tr>
<td>2013</td>
<td>School digitization program is launched. e-WUŚ. TV signal digitization process is complete</td>
</tr>
<tr>
<td>2014</td>
<td>e-PUAP, e-Declarations</td>
</tr>
<tr>
<td>2015</td>
<td>Electronic sick leaves</td>
</tr>
<tr>
<td>2016</td>
<td>Number of debit cards exceed the population count</td>
</tr>
<tr>
<td>2017</td>
<td>4 out of 5 Poles use the internet. Google is the most popular website with over 26M monthly users</td>
</tr>
<tr>
<td>2018</td>
<td>e-Prescription</td>
</tr>
</tbody>
</table>

Source: European Central Bank, World Bank, OECD, Eurostat
Non-cash payments

Number of card payments per inhabitant in 2017

Source: European Central Bank

Internet users

Number of cellphones

Source: World Bank

Fixed broadband

Online shopping

Source: Eurostat, World Bank
Open borders...

Accessing the European Union in 2004 and the Schengen area in 2007 coupled with the opening of the old EU states’ labor markets to Polish workers, caused over 2.1M Poles to temporarily migrate to other EU countries, mostly to work or study. On the other hand, immigration to Poland from the former Soviet sphere of influence has increased in recent years. Polish society remains among those with the most positive attitude towards the European Union.

Knowledge of foreign languages

15% of Poles declare proficiency in at least one foreign language (2016). Despite a 10% increase since 2007, this result is the fourth worst in the European Union (after Czech republic, Italy and Romania).

67% of Poles declare knowledge of at least one foreign language (2016), a 4pp increase since 2007; this is more than the European average (65%).

Students in Poland and abroad (2004–2017)

Source: UNESCO, GUS
Open borders...

Countries with most migrants from outside the EU

<table>
<thead>
<tr>
<th>2017</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>683,228</strong></td>
<td><strong>40,896</strong></td>
</tr>
<tr>
<td><strong>535,446</strong></td>
<td><strong>114,289</strong></td>
</tr>
<tr>
<td><strong>517,000</strong></td>
<td><strong>633,170</strong></td>
</tr>
<tr>
<td><strong>254,634</strong></td>
<td><strong>188,723</strong></td>
</tr>
<tr>
<td><strong>231,153</strong></td>
<td><strong>399,827</strong></td>
</tr>
</tbody>
</table>

Number of first time residence permits issued to people from outside the EU

Do you feel an European citizen? (% of responses “YES” in 2017)

- Luxembourg: 89%
- Germany: 86%
- Ireland: 85%
- Spain: 83%
- Malta: 82%
- Sweden: 82%
- Estonia: 81%
- Finland: 81%
- Hungary: 80%
- Belgium: 79%
- Poland: 79%
- Denmark: 78%
- Portugal: 78%
- Lithuania: 77%
- Slovakia: 77%
- Austria: 75%
- Netherlands: 75%
- Latvia: 75%
- Slovenia: 72%
- EU28: 71%
- Romania: 68%
- Croatia: 66%
- Cyprus: 65%
- France: 62%
- Italy: 59%
- United Kingdom: 58%
- Czech Republic: 56%
- Greece: 52%
- Bulgaria: 51%

Source: Eurostat

Poles on temporary stay outside the country

- U.K.: 793 thous
- Germany: 703 thous
- Netherlands: 120 thous
- Ireland: 112 thous
- Italy: 92 thous
- France: 64 thous
- Belgium: 54 thous
- Sweden: 50 thous
- Austria: 26 thous

Source: GUS

Source: Eurobarometer
Not only has accessing the European Union and the Schengen area allowed Poles to easily travel around Europe, it improved Poland’s attractiveness as a tourist destination. Since 2009 the number of foreign tourists has been significantly increasing and reached 19M in 2017. Poles use the opportunities granted by open borders. According to 2014 research, every second Polish citizen (48%) has visited another EU country and every fourth (22%) has studied, worked or trained in other member states.

Number of tourists visiting...  
(as 2018)

- 3.8M Tatrzański Park Narodowy
- 2.15M Auschwitz
- 1.75M Wieliczka

Source: Eurostat
Most popular holiday destinations
(may–august 2018, incl. travel agencies)

- Greece: 32%
- Turkey: 15%
- Bulgaria: 14%
- Spain: 11%
- Egypt: 7%

Source: Polish Chamber of Tourism

Number of tourist arrivals to Poland

- 2004: 11M
- 2017: 19M

Source: CEBOS

Cities most popular among foreign tourists in 2017

- Gdańsk: 16%
- Warszawa: 30%
- Wrocław: 8%
- Katowice: 14%
- Kraków: 16%
- Malbork: 32%
- Warsaw: 15%

Source: National Geographic

Number of Poles spending at least one week long holiday abroad (per 100 adults, 2004–2018)

Source: CEBOS
GDP growth in Poland has accelerated sharply after the EU accession. In 2018 Polish GDP was 81% higher than in 2003. Polish economy is one of the fastest growing in the Union and one of the few which did not experience a recession following the 2008 crisis. Wages in Poland are converging to the European level, as do levels of wealth and value of household equipment.

**It’s coming in our wallets**

Our wealth increases (change, 2004–2017)

- **Wealth**: 92%
- **Dishwasher**: 695%
- **Computer**: 343%
- **Microwave**: 105%
- **Smartphone**: 78%
- **Car**: 41%

**Richest in Poland**

- 2 Poles are on the “Forbes” 1000 wealthiest list
- 7 Poles’ wealth exceeds 1B USD
- 44 Poles’ wealth exceeds 1B PLN

Source: “Forbes”, “Wprost”

Source: Credit Suisse, GUS
It’s coming in our wallets

Average wage in Poland compared to average wages in selected EU countries (change, 2004–2017)

Germany: 49% to 57%, 105% to 107%
Slovakia: 57% to 74%
Czech Republic: 57%
Poland: 65% to 104%

Source: OECD

GDP per capita growth (2003=100)

- Poland: +81%
- Slovakia: +78%
- Czech Republic: +51%
- Germany: +25%
- EU28: +23%

Source: Eurostat

Import of used cars (2004–2018)

12.6M

Source: MF
Poland. Under construction

EU accession brought to Poland structural funds worth billions of Euro (164B in years 2004–2020). Most of these were used to develop infrastructure, particularly roads, highways, express roads, public transport, sewage facilities and sewers. Since 2004 total length of highways and express roads has quadrupled. Number of households with access to sewers and sewage plants has increased by over a dozen percentage points.

### EU funds in numbers

- **1,64B EUR**
  - have been granted to Poland in the years 2004–2020, twice the country’s budget

- **662 PLN**
  - worth of EU funds spent per capita in podlaskie voivodship in the years 2014–2017 (first place in Poland among NUTS 1 regions)

- **8,879 PLN**
  - worth of EU funds spent per capita in Krynica Morska in the years 2014–2017 (first place in Poland among NUTS 3 regions)

- **7.4B PLN**
  - worth of EU funds spent on the development of II subway line in Warsaw

- **241 thousand**
  - number of finished and running EU projects since 2004

- **3,073 PLN**
  - worth of EU funds spent per capita in Olsztyn in the years 2014–2017 (first place in Poland among NUTS 2 regions)

- **3.5B PLN**
  - worth of EU funds spent on the development of II subway line in Warsaw

Source: GUS, MIR
Network of highways and express roads (comparison 2004 & 2018)

Apartment construction dynamics (number of finished apartments)

Poland. Under construction

- Number of shops over >400m²: 14,209 (2005), 299,000 (2017)
- Access to waterworks: 58% (2005), 92% (2017)
- Access to sewage treatment plants: 59% (2005), 73% (2017)
- Highways and express roads (km): 813 (2005), 252 (2017)
- Paved roads (km): 70% (2005), 92% (2017)

Source: GUS
Last 15 years have brought much success in the area of environment protection. Both fauna and flora benefit from the gradual increase in forest cover. More and more species are protected. Green energy production remains a challenge, however improving air quality is now a national priority.

### Number of animals

<table>
<thead>
<tr>
<th>Animal</th>
<th>2005</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>European beaver</td>
<td>43,499</td>
<td>124,622</td>
</tr>
<tr>
<td>Moose</td>
<td>3,896</td>
<td>21,323</td>
</tr>
<tr>
<td>Mouflon</td>
<td>1,684</td>
<td>3,345</td>
</tr>
<tr>
<td>European bison</td>
<td>901</td>
<td>1,873</td>
</tr>
<tr>
<td>Wolf</td>
<td>800</td>
<td>2,390</td>
</tr>
<tr>
<td>Lynx</td>
<td>231</td>
<td>432</td>
</tr>
<tr>
<td>Mountain goat</td>
<td>138</td>
<td>310</td>
</tr>
<tr>
<td>Brown bear</td>
<td>164</td>
<td>304</td>
</tr>
</tbody>
</table>

Source: GUS

### Forest cover

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>1%</td>
</tr>
<tr>
<td>2017</td>
<td>29%</td>
</tr>
</tbody>
</table>

Forests as % of Poland's surface

Source: GUS
Poland is getting greener

**Electricity production and consumption**

- **2017**
  - Production: 168 TWh
  - Consumption: 166 TWh
- **2004**
  - Production: 144 TWh
  - Consumption: 153 TWh

**Number of cities on the 100 most polluted EU cities list**

- **Poland**: 57 cities
- **Bulgaria**: 18 cities
- **Italy**: 15 cities
- **Others**: 10 cities

Cities are ordered with accordance to PM2.5 concentration (dust with particles no larger than 2.5μm), which according to the WHO is the most dangerous atmospheric hazard to human beings.

**Environment protection in Poland and the EU**

<table>
<thead>
<tr>
<th></th>
<th>Poland</th>
<th>EU</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Energy from renewable sources</strong></td>
<td>2004: 4.8% (2004=100%)</td>
<td>2004: 6.4% (2004=100%)</td>
</tr>
<tr>
<td></td>
<td>2016: 8.8%</td>
<td>2016: 13.6%</td>
</tr>
<tr>
<td><strong>CO2 emissions</strong></td>
<td>2004: 100%</td>
<td>2004: 100%</td>
</tr>
<tr>
<td></td>
<td>2016: 100%</td>
<td>2016: 82.5%</td>
</tr>
<tr>
<td><strong>Recycled waste</strong></td>
<td>2004: 4.9%</td>
<td>2004: 30.6%</td>
</tr>
<tr>
<td></td>
<td>2016: 33.8%</td>
<td>2016: 46.4%</td>
</tr>
</tbody>
</table>

Source: Eurostat

Source: Eurostat

Source: Polskie Sieci Energetyczne

Source: WHO air pollution database
Names

Most popular names for female newborns in 2018: Susan, Julia, Maya. In 2004, the most popular were Julia, Victoria, and Nathalie.

Most popular names for male newborns in 2018: Anthony, Jacob, John. In 2004, the most popular were Jacob, Casper, and Matthew.

PLN


Number of 1PLN coins issued since 2004: 260M.

Music taste

Disco Polo is the most popular genre in Poland. In 2004, Poles liked hip hop best.

From smalltown: Dawid’s Podsiadło album was the best-selling album in Poland in 2018. In 2004, Ich Troje’s “The Best of” was at the top.

Movie taste

Cold War: Pawel Pawlikowski’s Cold War won Golden Lions at the Polish Film Festival in Gdynia in 2018. Magdalena Piekorz’s Pręgi won the competition.

60M people went to the cinema in 2018. 30M in 2004.

Security and problems

86% of Poles believe that Poland is a safe place to live. 33% in 2004.

Inflation was the most commonly indicated Poland’s problem (42%). In 2004, 74% of respondents picked unemployment.

Source: GUS, NBP, Google, Ministerstwo Cyfryzacji, ZPAV, CBOS, Eurobarometer
The Polish Economic Institute

The Polish Economic Institute is a public economic think-tank dating back to 1928. Its research spans trade, energy and the digital economy, with strategic analysis on key areas of social and public life in Poland. The Institute provides analysis and expertise for the implementation of the Strategy for Responsible Development and helps popularise Polish economic and social research in the country and abroad.