

Voluntary Report – Voluntary - Public Distribution

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Report Name: Direct Versus Indirect Trade -- Poland's Hidden Market for US Ag Exports

Country: Poland

Post: Warsaw

Report Category: Agricultural Situation, Fishery Products, Avocado, Canned Deciduous Fruit, Dried Fruit, Fresh Deciduous Fruit, Fresh Fruit, Kiwifruit, Raisins, Stone Fruit, Strawberries, Livestock and Products, Oilseeds and Products, Planting Seeds, Poultry and Products, Potatoes and Potato Products, Tree Nuts, Vegetables, Wine, Wood Products, Beverages, Citrus, Coffee, Dairy and Products, Grain and Feed

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Report Highlights:

The U.S. Census Bureau's bulk, intermediate, and consumer-oriented (BICO) export data tracks U.S. food and agricultural trade shipped directly to Poland. However, it does not measure the substantial levels of the U.S. agricultural trade to Poland routed through Western European ports of entry. According to BICO, U.S. suppliers shipped \$208 million of U.S. food and agriculture to Poland in 2021. However, according to Poland's Central Statistical Office (CSO), which measures trade by country of origin and, therefore, reflects both direct and indirect trade, Poland sourced upwards of \$582 million of U.S. food and agriculture in 2021. FAS Warsaw encourages USDA cooperators and other U.S. food and agricultural exporters and stakeholders to look beyond BICO data and review different data sources when considering resource allocation and market development strategies for Poland.

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

General Information:

The United States is Poland’s 20th largest supplier of food and agricultural products. U.S. goods flow into Poland either directly from the United States or are transshipped through other European Union (EU) ports of entry, mainly in the Netherlands and Germany. Because [BICO](#) data only reflects direct U.S. trade to Poland, it does not reflect significant volumes of U.S. trade routed through distributors in Rotterdam, Bremerhaven, and other large Western European port cities. As a result, Post views Poland’s [CSO](#) data, which includes both direct and indirect trade, as a more accurate reflection of Polish demand for U.S. food and agricultural products.

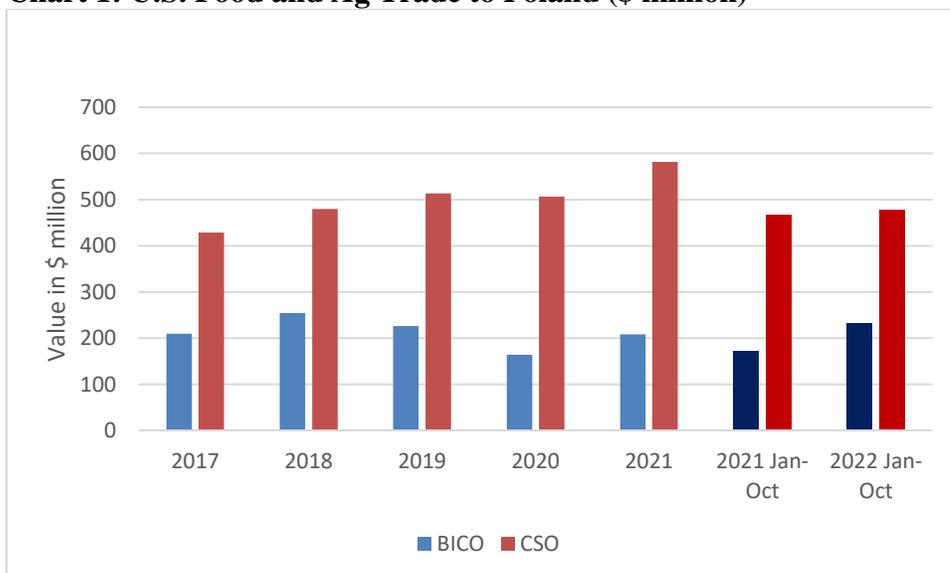
According to CSO data, Polish importers sourced record high \$582 million worth of U.S. food and agricultural products in 2021, which increased further by two percent in January-October 2022(Table 1). In 2021, tobacco, food preparations, red salmon, wine, Alaska pollock, whiskies, nuts, and mixed feeds were the largest categories, which accounted for almost 60 percent of total U.S. food and agricultural exports to Poland.

Table 1. U.S. Food and Agricultural Trade to Poland 2017-2022 (\$ million)

Source of Data	2017	2018	2019	2020	2021	2021 Jan-Oct	2022 Jan-Oct
BICO (Direct U.S. exports to Poland)	209.2	254.4	225.7	163.7	208.1	172.3	230.8
CSO* (Direct and Indirect imports from the United States)	428.6	479.6	513.6	506.4	581.5	466.0	476.6
Difference (Indirect exports)	219.4	225.2	287.9	342.7	373.4	293.7	245.8
<i>Percentage of indirect exports</i>	<i>51</i>	<i>47</i>	<i>56</i>	<i>68</i>	<i>64</i>	<i>63</i>	<i>52</i>

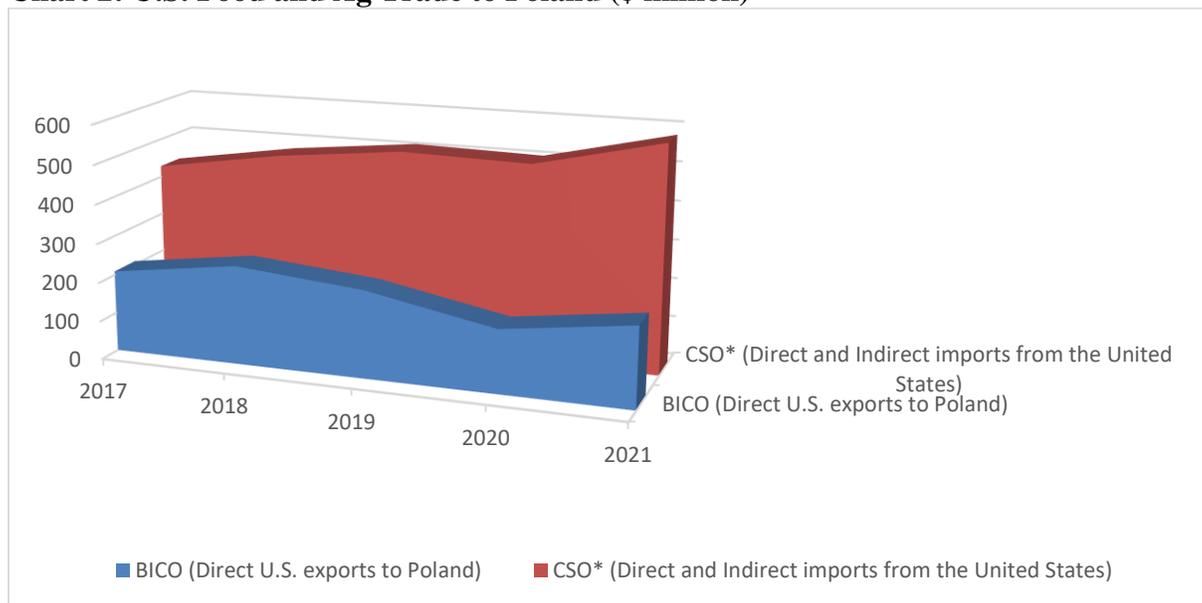
**Data on CSO trade published by Trade Data Monitor LLC (TDM)*

Chart 1: U.S. Food and Ag Trade to Poland (\$ million)



BICO data for 2021 indicate the European Union as the 6th largest market for U.S. agricultural and related products, however, Poland is not ranked among the top 35 country markets, while the Netherlands is ranked as the 10th and Germany as the 13th leading market. The undervaluation of the U.S. indirect trade to Poland has been increasing over the recent years.

Chart 2: U.S. Food and Ag Trade to Poland (\$ million)



U.S. Food and Agricultural Trade to Poland by Category

Direct U.S. agricultural trade to Poland generally consists of products shipped as sea freight, including tree nuts, whiskies, and some seafood. The trade data for these categories are captured by both BICO and CSO data. Indirect trade tends to be products that are shipped in smaller quantities, or that may require more flexible terms of trade than U.S. suppliers are able to provide. In other cases, Western European distributors can offer U.S. shippers sales volumes and/or payment terms that would be difficult for Polish importers to match. Many U.S. exporters also find it more efficient to simply ship large volumes to well-established distribution hubs in Western Europe and rely on those channels to supply other EU markets. In addition, some Polish importers prefer to work through European distributors and find it convenient for intermediaries to handle EU customs clearance for U.S. products. Also, for new-to-market products, some Polish importers prefer to purchase smaller volumes to test consumer demand and to build distribution channels before committing to longer term agreements and purchases. Finally, European distributors may incentivize Polish importers with favorable terms of payments or advertising, particularly if there are longstanding commercial relationships. Table 2 below shows additional BICO and CSO data for U.S. agricultural exports to Poland.

Table 2. 2021 Direct and Indirect U.S. Ag, Food, and Fishery Trade to Poland (\$)

HS Code	Description	BICO (Direct U.S. Exports to Poland) in USD	CSO* (Direct and Indirect U.S. Trade to Poland) in USD	Difference (Indirect) in USD	% Share of Indirect Exports
Agricultural and Related Products		208,101,121	581,494,995	373,393,874	64.2
240120	tobacco, partly or wholly stemmed/stripped	481,941	71,003,305	70,521,364	99.3
210690	food preparations nesoi	26,485,803	64,589,496	38,103,693	59.0
030311	sockeye salmon (red salmon) (oncorhynchus nerka), frozen	31,316,893	45,029,619	13,712,726	30.5
220421	wine of fresh grapes (other than sparkling wine) and grape must with fermentation prevented, etc. by adding alcohol, containers of not over 2 liters	1,627,165	40,898,291	39,271,126	96.0
030475	Alaska pollock (theragra chalcogramma)	0	36,676,700	36,676,700	100.0
220830	whiskies	30,448,458	32,957,561	2,509,103	7.6
080212	almonds, fresh or dried, shelled	16,172,299	27,897,421	11,725,122	42.0
080251	pistachios, in shell, fresh or dried	16,940,128	24,265,332	7,325,204	30.2
230990	animal feed preparations (mixed feeds, etc.), other than dog or cat food put up for retail sale	1,508,492	21,938,715	20,430,223	93.1
330210	mixtures of odoriferous substances and mixtures (including alcoholic solutions) with a basis of these substances used in the food or drink industries	19,653,480	21,606,269	1,952,789	9.0
330129	essential oils, nesoi	31,360	20,730,929	20,699,569	99.8
200893	cranberries (vaccinium macrocarpon, vaccinium oxycoccos); lingonberries (vaccinium vitisidaea)	11,710,829	18,429,539	6,718,710	36.5
030312	pacific salmon (oncorhynchus gorbuscha, keta, tschawytscha, kisutch, masou and rhodurus), frozen, nesoi	282,728	16,232,019	15,949,291	98.3
230910	dog and cat food, put up for retail sale	2,979,686	11,307,545	8,327,859	73.6
220510	vermouth and other wine of fresh grapes flavored with plants or aromatic substances, in	0	8,772,918	8,772,918	100.0

	containers holding 2 liters or less				
030494	alaska pollock (theragra chalcogramma)	216,450	6,996,041	6,779,591	96.9
210610	protein concentrates and textured protein substances	3,166,471	6,594,016	3,427,545	52.0
350220	milk albumin, including concentrates of two or more whey proteins	0	4,274,798	4,274,798	100.0
051110	bovine semen	3,032,915	3,999,625	966,710	24.2
330190	concentrates of essential oil; terpenic by-products of deterpenation of essent'l oil; extracted oleoresins; aqueous solutions of essential oil, nesoi	139,984	3,693,376	3,203,904	86.7
080290	nuts, nesoi, fresh or dried, whether or not shelled	489,472	3,440,200	2,950,728	85.8
330119	essential oils of citrus fruit, nesoi	20,416	3,161,954	1,319,585	41.7
030495	fish of the families bregmacerotidae, euclichthyidae, gadidae, macrouridae, melanonidae, merlucciidae, moridae and muraenolepididae, other than alaska pollock (theragra chalcogramma)	1,842,369	3,107,769	1,265,400	40.7
080252	pistachios, shelled, fresh or dried	0	3,083,950	3,083,950	100.0
100630	rice, semi-milled or wholly milled, whether or not polished or glazed	0	1,964,786	1,964,786	100.0
071333	kidney beans, including white pea beans (phaseolus vulgaris), dried shelled, including seed	0	1,959,422	1,959,422	100.0
440791	oak wood, sawn or chipped lengthwise, sliced or peeled, whether or not planed etc., over 6 mm (.236 in.) thick	0	1,238,528	1,238,528	100.0
071420	sweet potatoes, fresh or dried, whether or not sliced or in the form of pellets	0	1,054,174	1,054,174	100.0
0201, 0202	beef	0	421,734	421,734	100.0

*CSO data published by TDM

For certain commodities indirect trade is significant. This concerns mainly food and feed preparations, beef, sweet potatoes, rice, kidney beans, seafood, walnuts and peanuts, as well as oak wood and wood products.

BICO data indicate 2021 U.S. wine exports to Poland were valued at \$1.63 million. 2021 CSO data cited \$40.9 million of U.S. wine. In 2021, most U.S. wine traded to Poland arrived through Germany, France, and The Netherlands, explaining the significant difference between BICO and CSO data.

In the case of whiskies, the gap between BICO and CSO data is smaller, given that whiskies are often shipped via ocean freight directly to Poland.

According to BICO data, the U.S. trade of food preparations to Poland in 2021 was almost \$26.5 million, while CSO data shows over \$64.5 million of these U.S. products were exported to Poland. U.S. origin food preparations bound for Poland were mostly offloaded in German, Dutch, and Belgian ports of entry.

For shelled almonds (fresh or dried), BICO data captured \$16.2 million of 2021 trade, while CSO data shows \$27.9 million of U.S. almonds. U.S. almonds were distributed to Poland through Spanish, German, and Dutch intermediaries.

BICO reflects \$16.9 million of U.S. pistachio trade to Poland in 2021, while CSO values U.S. pistachio trade to Poland at \$24.3 million in 2021. U.S. pistachios arrive in Poland mostly through German intermediaries, especially through German retail supply chains. Several large German retail chains are present throughout Poland.

BICO cites U.S. animal feed preparations at \$1.5 million, while CSO data reflects about \$21.9 million. In the case of U.S. dog and cat food, BICO indicates almost \$3 million, while CSO data shows \$11.3 million.

BICO does not account for any 2021 U.S. beef trade to Poland. CSO data shows U.S. beef trade valued at \$421,734.

For U.S. sweet potato, BICO indicated no U.S. trade with Poland, while CSO data reflects that U.S. sweet potato exports were valued at one million dollars. U.S. sweet potato were shipped to Poland through Germany, Italy, and The Netherlands.

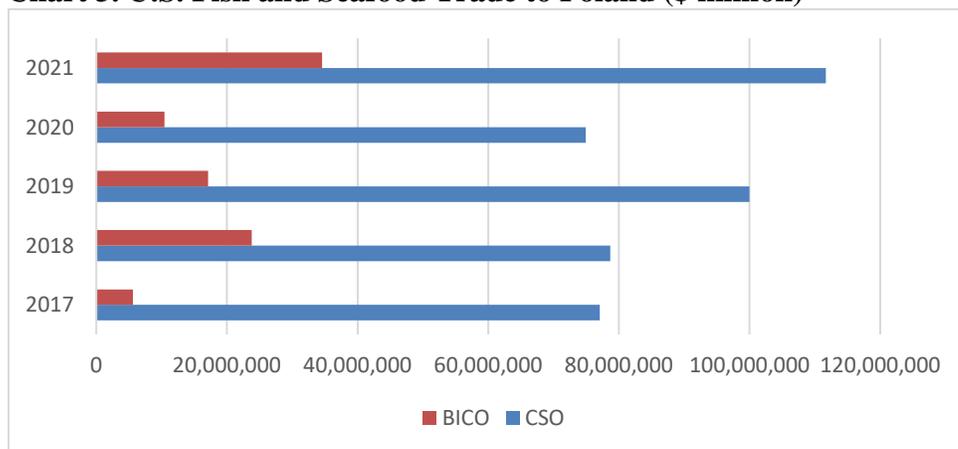
According to CSO data, fish and seafood were among the major products traded to Poland in 2021. BICO data showed the total value of U.S. exports of fishery and seafood products at \$34.6 million, while CSO data report \$111.7 million in 2021 (see Table 3 below). While some U.S. seafood, particularly frozen Alaska pollock and sockeye salmon, is shipped directly to Poland through the Port of Gdynia, most local seafood importers/processors prefer European distributors in The Netherlands and Germany. For example, BICO shows no data for U.S. Alaska pollock fillets trade to Poland, while CSO data shows that U.S. Alaska pollock trade reached \$36.7 million in 2021. Alaska pollock fillets arrive in Poland mainly through The Netherlands and Germany.

Table 3. U.S. Fish and Seafood Traded to Poland 2017-2021 (\$)

HS Code	Description	Data Source	2017 (\$)	2018 (\$)	2019 (\$)	2020 (\$)	2021 (\$)
03	Total fish and seafood	BICO	5,594,000	23,767,000	17,125,000	10,449,000	34,567,665
		CSO	77,090,248	78,693,131	99,983,869	74,950,021	111,692,972
0301	Live fish	BICO	11,000	22,000	39,000	15,000	22,390
		CSO	36,491	29,102	79,002	22,261	12,052
0302	Fish, whole, fresh/chilled	BICO	26,000	4,000	4,000	0	0
		CSO	395	2,294	3,125	1,374	96,011
0303	Fish, whole, frozen	BICO	5,150,000	22,691,000	15,311,000	6,865,000	32,486,456
		CSO	41,244,453	34,546,021	56,032,603	30,374,298	62,581,718
0304	Fish fillets, meat	BICO	398,000	1,021,000	1,766,000	3,567,000	2,058,819
		CSO	35,659,669	43,846,826	43,698,459	44,401,608	48,770,579
0305	Fish, cured, smoked	BICO	7,000	0	0	0	0
		CSO	0	140,646	59,316	43,545	87,896
0306	Crustaceans	BICO	3,000	0	0	0	0
		CSO	38,035	9,301	27,598	20,937	17,272
0307	Mollusks	BICO	0	27,000	0	0	0
		CSO	108,441	116,017	77,781	80,383	121,903
0308	Aquatic Invertebrates	BICO	0	3,000	5,000	3,000	0
		CSO	2,765	2,923	5,986	5,616	5,542

Note: Data on imports within CSO line published by TDM

Chart 3. U.S. Fish and Seafood Trade to Poland (\$ million)



Attachments:

No Attachments.