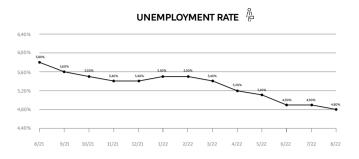


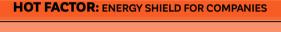
Poland Quarterly by CRIDO

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QUARTER TRENDING NEWS

1

Prime Minister has announced the introduction of a "solidarity shield" to counteract the effects of high energy prices. The proposed solutions include (i) an electricity price freeze for around 10 million households and (ii) large energy-consuming companies will be allowed to apply for subsidies from the government if their spending on electricity and gas exceeds 3% of their production value. The introduction of the shield is expected to cost around PLN 30 billion.

2

The government is considering the introduction of a so-called 50% "windfall tax" on excessive profits in companies. The new tax could be imposed on "excess profits" as early as 2022 and would apply to large companies (>249 employees + >50 million euros turnover) regardless of the industry (gross profit margin growth would be decisive to determine "excessive profits"). However recent media releases suggest that ultimately discussion on windfall tax would likely be narrowed to "energy" industry.

3

The lower house of the Polish parliament (Sejm) approved keeping lower taxes on fuels, energy, staple foods, natural gas and electricity till the end of the year to combat inflation and prolong elevated VAT rates to finance defense spending.

The minimum wage in Poland will increase by 15.9 per cent (to \in 741) in January 2023, but the total increase will eventually be 19.6 per cent (\in 765) after a second increase in July 2023

5

The Monetary Policy Council has decided to raise interest rates for the 11th consecutive time, which currently stand at 6.75% (inflation reached 17% in September). At the same time Poland's GDP increased by 5.5 percent year on year in the second quarter of 2022, but experts expect a GDP drop to 2.7 percent in Q3 2022.

6

Baltic Pipe gas pipeline launched on September 27th and stared its operation on October 1st. As for now, the only user of Baltic Pipe will be a Polish state owned company PGNiG. At the beginning, pipeline will operate with limited capacity, it is however expected that it will reach the full capacity by years' end.

7

Government spokesman for refugees from Ukraine informed that of the 600,000 Ukrainian people who are recorded in the PESEL database that are of working age, more than 400,000 have taken up legal employment in Poland.

European Commission has just approved the first operational programme for enterprises under EU financial framework 2021-2027. Calls for proposals for grants, incl. for R&D and investments of large enterprises are expected to be announced at the beginning of 2023. Poland is the biggest beneficiary of cohesion funds with over EUR 72,2 billion.