

**Poland–Canada
Conference**
New Economic Opportunities
and Transatlantic Partnership

Greater
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Poland–Canada: New Economic Opportunities and Transatlantic Partnership



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Introduction

The *“Poland–Canada Conference: New Economic Opportunities and Transatlantic Partnership”* was organized as part of a project implemented by the Blżej Polski Foundation in cooperation with the Canada–Poland Chamber of Commerce, with the support of the Senate of the Republic of Poland under its program for supporting the Polish diaspora and Poles abroad.

The conference *“Poland–Canada Conference: New Economic Opportunities and Transatlantic Partnership”* received funding under the Senate of the Republic of Poland’s patronage of the Polish diaspora and Poles abroad in 2025 (Agreement No. 127.2025.BP–5).

The project aims to strengthen the Polish community in Canada, promote Poland as a reliable economic partner, and stimulate Polish diaspora entrepreneurship in the context of international cooperation.

This initiative forms part of long-term efforts to build a positive image of Poland and to enhance the role of the Polish diaspora in developing economic relations between Poland and Canada.

The conference, held in Toronto in November 2025, brings together representatives of business, academia, the media, and Polish diaspora organizations. Its goal is to create a space for dialogue and the exchange of experience in the fields of investment, entrepreneurship, and economic cooperation between Poland and Canada.

The following study provides a concise presentation of substantive material intended to serve conference participants and other interested stakeholders as a practical source of knowledge about the current conditions of economic cooperation between Poland and Canada.

The conference discussions address topics such as:

- legal and tax conditions for investing in Poland,
- opportunities for economic cooperation between Polish and Canadian entities,
- the role of the Polish diaspora in shaping Poland’s economic relations and image abroad,
- and new directions in transatlantic cooperation in innovation, energy, and sustainable development.



This paper was prepared within the project implemented by the Blizej Polski Foundation in cooperation with the Canada–Poland Chamber of Commerce, funded by the Senate of the Republic of Poland, and constitutes an integral part of the activities accompanying the conference.

This material is for informational and educational purposes only. The contents have been prepared with due diligence but do not constitute legal, tax, or financial advice, nor do they represent the official position of the organizers or the funding institution.

Given the changing nature of legal regulations and the individual circumstances of each business activity, every investment decision should be preceded by a detailed analysis and consultation with a qualified lawyer, tax advisor, or other specialist.

The authors and organizers of the project bear no responsibility for the consequences of decisions made on the basis of the information contained in this publication.



Table of Contents

I. THE CETA AGREEMENT – THE FOUNDATION OF POLAND–CANADA ECONOMIC COOPERATION	
1. Nature and significance of the CETA (Comprehensive Economic and Trade Agreement)	p.4
2. Benefits for Canadian enterprises investing in Poland	p.5
3. Importance of CETA for investment and trade exchange	p.7
4. Investor protection under CETA	p.8
5. Current implementation status and prospects for further cooperation	p.9
II. LEGAL ASPECTS OF INVESTING IN POLAND BY CANADIAN ENTITIES	
1. Legal framework for investing in Poland	p.12
2. Forms of business activity	p.15
3. Registration procedures and formal obligations	p.21
4. Capital and sectoral restrictions	p.25
III. TAX AND FINANCIAL ASPECTS OF BUSINESS OPERATIONS	
1. The Polish tax system – fundamental principles	p.29
2. Taxation of foreign entities (including rules concerning profits, dividends, and interest, and the Poland–Canada Double Taxation Agreement)	p.333
3. Incentives and tax reliefs for investors (Polish Investment Zone, R&D Tax Relief, IP Box, regional preferences, and special economic zones)	p.36
4. Accounting and reporting obligations for foreign investors	p.39
5. Financial flows and currency regulations	p.40
IV. AREAS AND OPPORTUNITIES FOR INVESTMENT	
1. The Polish economy – stability and development trends	p.45
2. Key sectors for Canadian investors	p.48
V. THE ROLE OF THE POLISH DIASPORA AND BUSINESS ORGANIZATIONS	
1. The Polish business community in Canada – potential and significance	p.53
2. The Polish diaspora as an economic and image-building bridge	p.54
3. Activities of the Canada–Poland Chamber of Commerce (CPCC)	p.54
4. The role of the Blżej Polski Foundation in developing economic relations	p.55



I. THE CETA AGREEMENT – THE FOUNDATION OF POLAND–CANADA ECONOMIC COOPERATION

1. Nature and significance of the CETA (Comprehensive Economic and Trade Agreement)

The Comprehensive Economic and Trade Agreement (CETA) between the European Union and Canada represents one of the most significant instruments of modern transatlantic cooperation. It was signed in 2016 and provisionally entered into force in 2017, following approval by the European Parliament and the Parliament of Canada.

For Poland, as a member state of the European Union, CETA provides the legal and institutional framework that facilitates access to the Canadian market while ensuring investment protection and regulatory transparency in economic relations with Canada.

CETA also establishes stable mechanisms for the protection of investors, guaranteeing non-discriminatory treatment for foreign entities and providing them with access to the Investment Court System (ICS) – a modern international mechanism for resolving investment disputes.

This system is designed to increase investor confidence and to ensure equality between the parties in economic relations.

In summary, CETA serves as the foundation of modern economic relations between Canada and Poland, built on the principles of free trade, mutual trust, and legal predictability. It is an instrument that not only removes tariff barriers but also promotes shared values – openness, transparency, and economic partnership – thereby establishing a solid basis for the development of investment and trade cooperation in the years ahead.



2. Benefits for Canadian enterprises investing in Poland

The Comprehensive Economic and Trade Agreement (CETA) has brought measurable benefits to businesses from both Canada and the European Union, including Poland. Unlike traditional trade agreements, CETA is comprehensive in nature, covering not only the elimination of tariffs but also the simplification of administrative procedures, liberalization of services, and facilitation of investment and the movement of highly qualified professionals.

Benefits for Canadian enterprises:

- Access to the single market of the European Union – CETA opens access for Canadian companies to a market of over 440 million consumers operating within a unified regulatory system.
- Elimination of customs barriers – nearly 98% of tariffs on industrial and agri-food products have been removed, significantly lowering export costs and increasing the competitiveness of Canadian products in Europe.
- Facilitation in the services sector – CETA liberalizes trade in services, including in finance, transport, IT, and consulting, enabling Canadian companies to provide services within EU member states without the need to establish a local subsidiary.
- Access to public procurement – for the first time, Canada has opened its public procurement market to foreign suppliers at all levels (federal, provincial, and local). Based on the principle of reciprocity, Canadian companies can also compete for public contracts within the European Union.
- Enhanced investment protection – the Investment Court System (ICS) guarantees transparency and security for investments in the EU. The provisions relating to ICS are excluded from provisional application and will take effect once the agreement is fully ratified by all EU member states.

Useful sources of information for practical application:

- Full text of the CETA Agreement:
<https://eur-lex.europa.eu/legal-content/PL/TXT/?uri=CELEX%3A22017A0114%2801%29>



- CETA Summary – Chapter by Chapter:
https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/countries-and-regions/canada/eu-canada-agreement/ceta-chapter-chapter_en
- Government of Canada – CETA Summary:
<https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/ceta-aecg/index.aspx>
- EU Export Helpdesk – Access2Markets:
<https://trade.ec.europa.eu/access-to-markets/en/content/ceta>
- Guide for Canadian Businesses on CETA:
<https://www.tradecommissioner.gc.ca/ceta-aecg/index.aspx>
<https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/ceta-aecg/guide.aspx>
- European Commission – Guide to CETA for EU Businesses:
https://trade.ec.europa.eu/doclib/docs/2017/september/tradoc_156062.pdf
- Regulations, investor protection, and ICS mechanism – EU Investment Court System:
https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/countries-and-regions/canada/investment-court-system_en
<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A22017A0114%2801%29#d1e2688-1-1>
[https://www.europarl.europa.eu/thinktank/en/document/EPRS_BRI\(2017\)5993_42](https://www.europarl.europa.eu/thinktank/en/document/EPRS_BRI(2017)5993_42)



3. Importance of CETA for investment and trade exchange

The Comprehensive Economic and Trade Agreement (CETA) has had a significant impact on the growth of trade between the European Union and Canada – in both goods and services.

Between 2016 and 2024, total trade in goods and services increased by approximately 72%. Trade in goods (EU ↔ Canada) grew by about 65%, while trade in services rose by nearly 90% during the same period.

In 2023, bilateral trade in goods reached a value of around 126 billion CAD (approximately 76 billion EUR), representing a 65% increase compared to pre-CETA levels.

An ex-post evaluation of CETA estimates that the agreement generates an annual GDP gain for the EU of approximately 3.2 billion EUR, resulting from improved trade flows and reduced barriers.

For investors, the significance of this agreement lies in increased regulatory predictability and legal coherence between the EU and Canadian systems.

CETA reduces transaction costs, expands access to service markets and public procurement, and stimulates economic exchange – all of which create new trade and investment opportunities.

In practice, CETA strengthens long-term economic relations, promotes fair competition, and facilitates cross-border collaboration.

The agreement serves as a model of how open, rules-based trade can enhance prosperity on both sides of the Atlantic by fostering transparency, innovation, and market confidence.



4. Investor protection under CETA

Investor protection is one of the key pillars of the Comprehensive Economic and Trade Agreement (CETA). Its purpose is to ensure that investors from Canada and the European Union, including Poland, are treated fairly, equally, and without discrimination. Compared with earlier investment treaties, CETA introduces a modern and transparent model for resolving investment disputes known as the Investment Court System (ICS).

Once fully ratified, the ICS will replace traditional investor–state arbitration (ISDS). It will be based on a permanent and independent tribunal jointly established by the European Union and Canada. The tribunal will examine claims brought by investors who allege that a government’s actions – for example, a change in legislation, an administrative decision, or an unjustified restriction of operations – have violated their rights under the agreement. The goal of the ICS is to increase transparency, predictability, and trust in the investment protection process.

CETA guarantees investors, among others:

- non-discriminatory treatment (national treatment and most-favoured-nation clause),
- protection against expropriation without proper compensation,
- the right to fair and equitable treatment by public authorities,
- transparency of procedures and access to an independent dispute resolution mechanism.

An important feature of the system is also the obligation for states to publish all laws, regulations, and administrative decisions affecting foreign investors. This increases transparency and limits the risk of arbitrary administrative actions.

Sources and reference materials:

- Text of CETA, Chapter 8 – Investment Protection:
<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A22017A0114%2801%29#d1e2688-1-1>
- Description of the Investment Court System (ICS):
https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/countries-and-regions/canada/investment-court-system_en



- European Parliament analysis – CETA and Investment Protection:
[https://www.europarl.europa.eu/thinktank/en/document/EPRS_BRI\(2017\)5993_42](https://www.europarl.europa.eu/thinktank/en/document/EPRS_BRI(2017)5993_42)
- UNCTAD Investment Policy Hub – CETA treaty file:
<https://investmentpolicy.unctad.org/international-investment-agreements/treaty-files/5413/download>
- OECD Investment Policy Reviews – Canada / EU:
<https://www.oecd.org/investment/>
- European Parliamentary Research Service (EPRS) – CETA studies and reports:
<https://www.europarl.europa.eu/thinktank/en/search.html?query=CETA+investment>

5. Current implementation status and prospects for further cooperation

The Comprehensive Economic and Trade Agreement (CETA) has been provisionally applied since 21 September 2017. This means that most of its provisions – those concerning trade in goods, services, public procurement, and market access – are already functioning in practice. However, full entry into force will occur only after the ratification process is completed by all European Union member states.

By 2025, CETA has been ratified by 17 of the 27 EU member states, while national ratification procedures in several others are still ongoing. In Poland, formal ratification remains suspended, but the agreement continues to apply provisionally, allowing investors and businesses to benefit from the majority of its mechanisms and advantages.

According to data from the European Commission and the Government of Canada, seven years after CETA's provisional application began, trade between the European Union and Canada continues to show steady growth.

Between 2017 and 2024:

- trade in goods between the EU and Canada increased by about 65%,
- trade in services rose by nearly 90%,
- total bilateral trade in 2023 exceeded 76 billion EUR (around 126 billion CAD),
- the use of CETA tariff preferences reached approximately 65% for Canadian exporters and 59% for EU exporters,
- the value of bilateral foreign direct investment grew by more than 20% compared with pre-2017 levels.



Sources:

<https://www.consilium.europa.eu/en/infographics/eu-canada-trade/>
<https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/ceta-aecg/2024-11-05-joint-report-rapport-conjoint.aspx>
<https://carleton.ca/tradenetwork/research-publications/ceta-ratification-tracker/>
<https://international.canada.ca/en/global-affairs/corporate/transparency/reports-publications/chief-economist/impacts/2022-09-ceta-trade-benefits>

In the coming years, CETA has the potential to deepen Poland–Canada economic cooperation further, both in trade and in direct investment. With the ongoing global energy and digital transformation, new strategic areas of collaboration are emerging. The most promising fields include renewable energy and environmental technologies, where the rising demand for clean energy and green solutions creates space for joint investment and technology projects. Increasing importance is also seen in the IT and digital services sectors, where the liberalization of trade in services and the mutual recognition of professional qualifications foster partnerships between Polish and Canadian technology companies.

Other high-potential sectors include the pharmaceutical and biotechnology industries, as well as high-quality food production. CETA simplifies product certification, export procedures, and protection of geographical indications, which benefits Polish producers of organic and regional food products seeking to enter the Canadian market.

Infrastructure and public procurement projects also play a significant role. Under CETA, the principle of reciprocal access to public procurement markets applies at all levels – federal, provincial, and local. This allows Canadian firms to participate in public tenders in Poland and enables Polish companies to take part in projects implemented in Canada.

Research and development cooperation is another area of growing importance, supported by EU programs and Canadian innovation agencies. Joint initiatives in innovation, energy, digital technologies, and sustainable development could become one of the central pillars of the next stage of Poland–Canada economic relations.



For investors, the complete ratification of CETA by all EU member states will be crucial for ensuring legal stability and reinforcing the Investment Court System (ICS). Full implementation will make it easier to enforce the agreement's provisions, enhance regulatory predictability, and increase Poland's attractiveness to Canadian capital.

CETA also serves as a reference point for future EU trade and investment agreements with other transatlantic partners. In the long term, it can form the foundation for a deeper economic partnership built on shared values, high regulatory standards, and mutual trust. For both Poland and Canada, this means not only growth in trade volumes but also the strengthening of sustainable, innovation-driven economic relations based on partnership and shared prosperity.



II. LEGAL ASPECTS OF INVESTING IN POLAND BY CANADIAN ENTITIES

1. Legal framework for investing in Poland

Poland is one of the largest and most dynamic economies in Central and Eastern Europe. It is the sixth-largest market in the European Union, with a population of over 38 million consumers, and serves as a key production and logistics hub for companies operating within the EU.

In 2024, Poland ranked 42nd in the Index of Economic Freedom published by the Heritage Foundation, maintaining a stable position among countries with “moderately high economic freedom.” In the World Bank’s latest Ease of Doing Business report (2020 edition), Poland placed 40th out of 190 countries, showing strong performance in areas such as business registration, access to credit, and protection of minority investors.

According to the OECD FDI Regulatory Restrictiveness Index 2023, Poland remains a country with a low level of restrictions on foreign direct investment, close to the EU average.

The fundamental principle governing investment in Poland is the equal treatment of domestic and foreign investors. Non-EU investors, including those from Canada, may conduct business in Poland on the basis of reciprocity and in accordance with Polish law.

The definitions of a foreign investor and foreign entrepreneur are set out in the Act on the Principles of Participation of Foreign Entrepreneurs and Other Foreign Persons in Economic Trade in the Territory of the Republic of Poland (Journal of Laws 2022, item 470).

According to its provisions:

- a foreign entrepreneur is a natural or legal person with its seat outside Poland conducting business activity abroad,
- a foreign person is any natural person without Polish citizenship or a legal entity with its seat outside Poland.



The Comprehensive Economic and Trade Agreement (CETA), discussed in the previous chapter, provides Canadian investors with a broad scope of protection and guarantees national treatment. This means that Canadian investors in Poland are treated on equal terms with domestic investors, both in terms of market access and in administrative, tax, and procedural matters.

In practice, CETA ensures that Canadian investors operate under the same legal conditions as investors from other non-EU and non-EEA countries, with certain exceptions arising from the agreement itself.

The key piece of legislation regulating business activity in Poland is the Entrepreneurs' Law Act of 6 March 2018. It establishes fundamental principles such as the freedom of business activity, equality of entrepreneurs, and legal certainty. It also introduces the obligation to act in accordance with fair competition and good business practices.

For Canadian investors establishing a company or branch in Poland, the Commercial Companies Code (KSH) is of particular importance. It defines the legal forms of business entities (e.g., limited liability companies and joint-stock companies), and regulates company bodies, share capital, liability of shareholders, and procedures for registration or liquidation.

The limited liability company (sp. z o.o.) is the most commonly chosen legal form by foreign investors, including Canadians, due to its flexibility, limited liability, and straightforward registration process.

Each company or branch in Poland must be entered in the National Court Register (KRS), a central database maintained by commercial courts that confirms the entity's existence, management, share capital, and registered address. Entry in the register is a prerequisite for obtaining legal personality and commencing business activity.



Another key regulation is the Act on the Principles of Participation of Foreign Entrepreneurs in Economic Trade on the Territory of the Republic of Poland, which governs the establishment of branches and representative offices, registration procedures, scope of operations, and obligations toward public authorities. Under this act, a Canadian entrepreneur may operate in Poland through a registered branch that is entitled to conduct business activities identical to those of the parent company.

The Act on the Acquisition of Real Estate by Foreigners also plays a role, stipulating that investors from outside the European Economic Area – including Canada – must obtain a permit from the Minister of the Interior and Administration to acquire real estate in Poland. There are, however, several exemptions, for example when purchasing commercial premises or when the investment is made through a Polish-registered company.

From the perspective of market competition and transaction security, the Act on Competition and Consumer Protection applies. It requires prior notification of mergers and acquisitions to the Office of Competition and Consumer Protection (UOKiK), particularly in cases involving large-scale transactions with foreign participation.

Canadian investors can also benefit from incentives and reliefs provided under the Act on Supporting New Investments, including privileges under the Polish Investment Zone (PSI) program, which offers tax exemptions for up to 15 years depending on the region and type of project.



2. Forms of business activity

The Polish legal system provides a wide range of forms for conducting business activity – from the simplest sole proprietorships to complex corporate structures. The choice of a suitable legal form depends on the investor's goals, the scale of operations, the desired management model, and the level of liability protection.

This section outlines the main types of business entities available in Poland, from individual enterprises and partnerships to corporate forms such as limited liability and joint-stock companies. The focus is on capital companies, which are most often used by foreign investors, including those from Canada.

2.1. Sole proprietorship (individual business activity - JDG)

In Poland, the simplest form of doing business is the sole proprietorship, registered in the Central Registration and Information on Business (CEIDG). It is intended for individuals who wish to run small-scale business activities independently, such as consulting, freelance, or technical services.

For Canadian citizens, the possibility of establishing a sole proprietorship is limited. It is available only to persons holding: a permanent residence permit, long-term EU resident status, or a temporary residence permit allowing access to the labor market or self-employment.

Key characteristics of a sole proprietorship:

- no minimum capital requirement,
- unlimited personal liability of the owner,
- simple online registration (CEIDG),
- mandatory payment of social security contributions and income tax (progressive, flat, or lump-sum),
- possibility of providing cross-border services within the EU.

For Canadian professionals such as IT contractors, engineers, translators, or consultants, a sole proprietorship can be an affordable and straightforward entry into the Polish market, though it requires tax residence and a physical presence in Poland.



2.2. Partnerships

Partnerships represent an intermediate form between individual and corporate business structures. Under Polish law, there are four main types of partnerships:

- registered partnership (spółka jawna, sp.j.),
- professional partnership (spółka partnerska, sp.p.),
- limited partnership (spółka komandytowa, sp.k.),
- limited joint-stock partnership (spółka komandytowo-akcyjna, S.K.A.).

A commonly chosen form by foreign investors is the limited partnership, in which at least one partner (general partner) bears unlimited liability, and the other (limited partner) is liable only up to the amount of their contribution. A popular structure in Poland is the hybrid “limited liability company & limited partnership” (sp. z o.o. sp.k.), where the limited liability company acts as the general partner, and the investor as the limited partner. This setup combines the flexibility of a partnership with limited personal liability.

Partnerships are registered in the National Court Register (KRS) and must maintain full accounting records. Generally, they are subject to corporate income tax (CIT), and partners' income is additionally taxed under PIT or CIT depending on their legal status.

2.3. Capital companies

The most popular form of business among foreign investors, including Canadians, are capital companies. They ensure a clear separation between company assets and the personal assets of shareholders and provide a high level of legal and business protection.

The main types of capital companies in Poland are:

- limited liability company (spółka z ograniczoną odpowiedzialnością, sp. z o.o.),
- joint-stock company (spółka akcyjna, S.A.),
- simple joint-stock company (prosta spółka akcyjna, P.S.A.).



Limited liability company (sp. z o.o.):

- minimum share capital: 5,000 PLN (approx. 1650 CAD)
- legal personality – shareholders are not personally liable for company obligations,
- full online registration available using an electronic signature,
- may be owned by a single shareholder,
- entitled to conduct all forms of business, employ staff, and own property or subsidiaries.
- LLC is the most common vehicle for both individual and corporate investors due to its flexibility, limited liability, and relatively low capital threshold.

Joint-stock company (S.A.):

- minimum share capital: 100,000 PLN (approx.. 33,000 CAD)
- allows for the issuance of shares and raising capital from private or public investors,
- requires a supervisory board and general meeting,
- subject to full accounting and annual audit obligations.
- The S.A. structure is suited to large investment projects, joint ventures, holding companies, or entities planning a stock exchange listing (Warsaw Stock Exchange or NewConnect).

Simple joint-stock company (P.S.A.):

- Introduced in 2021, the P.S.A. is a modern, flexible corporate form designed for start-ups and innovation-oriented investors.
- minimum share capital: 1 PLN,
- shares exist in electronic form and can be easily transferred,
- incorporation and management can be carried out remotely,
- flexible management structure – may operate without a supervisory board.
- For Canadian technology start-ups, the P.S.A. can serve as an efficient entry vehicle into the EU market, offering low setup costs and limited risk.



2.4. Other legal and organizational forms

In addition to the above, several other legal structures are available depending on the investor's goals or type of activity:

Foundations and associations – may be established by individuals or legal entities (including foreigners). They are non-profit but may conduct business activity to support their statutory goals (e.g., education, culture, or CSR initiatives).

Branches and representative offices – a branch is part of a foreign company operating in Poland. It does not have legal personality but may conduct business within the scope of the parent company's activities. A representative office may only carry out promotional and advertising activities. Both must be registered in the National Court Register (KRS).

Investment funds – Poland offers closed-end investment funds (FIZ) and closed-end non-public asset funds (FIZAN), often used as investment or holding vehicles by foreign private equity and institutional investors. These structures provide favorable tax treatment and high flexibility.

Cooperatives – voluntary associations of individuals or entities conducting joint business activities. They possess legal personality and may operate in nearly any sector, including housing, agriculture, finance, or services.

Research institutions and universities – higher education institutions and research organizations may conduct business activities supporting their scientific or R&D objectives. Cooperation with them can be beneficial for Canadian investors interested in technology transfer and innovation projects.

European legal forms – Poland also allows the establishment of entities under EU law such as:

- European Company (Societas Europaea, SE),
- European Cooperative Society (Societas Cooperativa Europaea, SCE),
- European Economic Interest Grouping (EEIG).



These forms are particularly useful for investors operating in multiple EU countries within a single unified structure.

Business associations and chambers of commerce – professional associations, business chambers, and industry organizations also have legal personality and may conduct ancillary business activities such as training, consulting, or publishing.

3. Registration procedures and formal obligations

The process of starting a business in Poland is formalized but at the same time transparent and secure. It is based on the principle of public disclosure in economic transactions and on the central registration of entities in the National Court Register (KRS), which ensures a high level of transparency and protection for both investors and business partners.

For Canadian investors planning to operate in the form of a capital company (sp. z o.o., S.A., or P.S.A.), proper preparation of the registration process or the acquisition of an existing company is crucial for an efficient and secure market entry in Poland.

3.1. Registration of companies in the National Court Register (KRS)

All commercial companies in Poland – both partnerships and capital companies – must be entered in the National Court Register (KRS), maintained by commercial courts. The KRS entry is a prerequisite for obtaining legal personality and for commencing business activity.

Registration is carried out exclusively in electronic form via one of two systems:

- Court Register Portal (PRS) – for companies established individually under a notarial deed, or
- S24 System – for companies incorporated using a standardized electronic template (available for sp. z o.o., sp.j., and P.S.A.).

An application for entry in the KRS must include, among others:

- articles of association (in notarial or electronic form),
- data of shareholders, board members, and the registered office,
- the amount of share capital
- a declaration confirming payment of contributions,
- a list of shareholders or shareholders' register,
- service addresses of board members.



Once the application is approved by the court, the company automatically receives its REGON (statistical number) and NIP (tax identification number) and is simultaneously entered in the Central Register of Beneficial Owners (CRBR).

3.2. Role of the notary public

For most companies (except those registered via the S24 system), the articles of association must be executed in the form of a notarial deed. The notary verifies the identity of shareholders, ensures compliance of the deed with applicable laws, and certifies the date of company formation.

This procedure enhances transaction security, as the notary acts as a legal safeguard, and every notarial deed is stored electronically and has the force of an official document.

In practice, for foreign investors, including those from Canada, most notarial and legal offices in Poland provide full remote registration services based on a notarized power of attorney with an apostille clause.

3.3. Purchase of ready-made companies

For foreign investors, another option is to acquire a so-called shelf company – an entity already registered, holding a KRS, NIP, and REGON number, but with no previous business activity.

Such companies are prepared by specialized legal and consulting firms that register and subsequently sell them to investors.

Acquiring a shelf company allows investors to:

- start operations immediately after the transaction,
- avoid waiting periods for court registration (which may take several to a dozen days),
- insure full compliance with legal requirements (companies are fully documented, have a clean history, and typically minimal paid-in capital).

The transfer of shares in such a company takes place through a notarial deed or a notification of shareholder change, followed by updates in the KRS and CRBR. In practice, the entire process – from purchase to the start of operations – can be completed within one to two business days.



A similar model applies to the market for special purpose vehicles (SPVs), which are created to carry out specific projects (e.g., real estate developments, infrastructure investments, or acquisition of assets and company shares). SPVs are particularly common in investment structures involving funds or foreign vehicles (such as FIZANs or private equity funds).

In Poland, numerous legal and advisory firms specialize in establishing and selling SPVs, offering comprehensive corporate, notarial, and accounting support.

Transactions involving such companies are highly formalized but, as a result, secure and transparent – all ownership changes are publicly disclosed in the KRS, notarized, and accessible to the public.

3.4. Identification and registration requirements

Every new business entity in Poland, regardless of its legal form, automatically receives:

- NIP (Tax Identification Number) – issued by the tax office,
- REGON (statistical number) – issued by the Central Statistical Office,
- KRS number – for registered companies,
- an entry in the Central Register of Beneficial Owners (CRBR), which contains information about the company's actual (beneficial) owners. Notification of beneficial owners to the CRBR is mandatory within seven days of the company's registration in the KRS.

3.5. Post-registration obligations

After registration in the KRS, the company is required to:

- open a bank account (in PLN or multi-currency),
- register for VAT purposes (if applicable),
- conclude an accounting service agreement or implement an internal bookkeeping system,
- register management board members for social security (if required),
- maintain full accounting records in accordance with the Accounting Act,
- prepare and submit annual financial statements to the KRS.



All companies must also store corporate documentation (resolutions, minutes, agreements, reports) and maintain the public transparency of their registered data. This system ensures a high level of reliability and legal certainty, providing foreign investors with a transparent and secure business environment.

3.6. Professional support and market practice

Poland has a well-developed market for legal and advisory services dedicated to supporting foreign investors. Law firms, legal advisers, and consulting offices offer comprehensive services covering company formation and acquisition, preparation of articles of association, powers of attorney, and certified translations, representation before the registration court and public authorities, VAT and CRBR registration, and assistance in opening bank accounts. They also support the creation of special purpose vehicles (SPVs) and holding structures.

Thanks to this formalized, digital, and notarially secured registration system, foreign investors can be confident that every registered company in Poland appears in a public register and that ownership data is verifiable and transparent.



4. Capital and sectoral restrictions

In principle, the Polish legal system does not impose restrictions on foreign capital, and investors from Canada enjoy the same rights as domestic or EU investors, except in specific cases provided for by law. The key principle governing foreign investment in Poland is freedom of economic activity and the equal treatment of domestic and foreign entrepreneurs.

However, several areas of the Polish economy are subject to special restrictions, licensing requirements, or additional control mechanisms aimed at protecting national security, public order, or strategic sectors of the economy.

4.1. General principles of access to the Polish market

Foreign investors, including those from outside the European Economic Area (EEA), may conduct business activity in Poland:

- through companies established under Polish law,
- by establishing a branch or representative office of a foreign enterprise,
- by acquiring shares or stocks in an existing Polish company,
- by participating in joint ventures or public–private partnerships.

Canadian investors are covered by the national treatment clause provided under the Comprehensive Economic and Trade Agreement (CETA), which guarantees that their businesses are treated equally with domestic entities in matters of registration, taxation, and access to most sectors of the Polish economy.

4.2. Restrictions on ownership and control

Although Poland maintains an open investment climate, several industries are subject to specific restrictions concerning ownership or control of companies by foreign investors. These include:

- Defense and arms manufacturing – prior consent from the Minister of National Defence is required for the acquisition of shares or control in entities producing or trading in military equipment, weapons, or ammunition.
- Energy, fuel, and gas sectors – companies operating in these industries are subject to licensing and, in some cases, restrictions on shareholding structures. The acquisition of a controlling interest by a non–EU investor may be reviewed under the Foreign Investment Control Act.



- Air transport – under the Aviation Law, at least 51% of shares and control must be held by EU or EEA citizens or companies.

- Real estate acquisition – the Act on the Acquisition of Real Estate by Foreigners requires non-EU investors, including Canadians, to obtain a permit from the Minister of the Interior and Administration for the purchase of land or property. There are, however, exemptions, for example when acquiring commercial premises or purchasing shares in a Polish company that already owns real estate.

4.3. Foreign Investment Control Act

Since 2020, Poland has implemented a control mechanism for certain acquisitions made by investors from outside the European Union or the EEA. The Act on the Control of Certain Investments (Journal of Laws 2020, item 1351) empowers the Office of Competition and Consumer Protection (UOKiK) to review and block transactions that could threaten public security or order.

The control applies primarily to the acquisition of significant stakes (20% or more) or effective control in companies operating in strategic sectors such as:

- energy production and distribution,
- telecommunications,
- water supply,
- food production and distribution,
- pharmaceuticals and medical equipment,
- IT and cybersecurity,
- transport and logistics infrastructure.

Investors must notify the authority of the planned transaction and may proceed only after obtaining clearance. Failure to comply with notification obligations may result in the invalidation of the transaction and financial penalties.



4.4. Sector-specific licenses and concessions

Certain types of activities require special permits, concessions, or licenses, regardless of the investor's nationality. The main sectors subject to such requirements include:

- Banking, insurance, and capital markets – supervision by the Polish Financial Supervision Authority (KNF),
- Energy, gas, and fuels – licensing from the Energy Regulatory Office (URE),
- Telecommunications – registration with the Office of Electronic Communications (UKE),
- Broadcasting and media – license from the National Broadcasting Council (KRRiT),
- Transport – concessions from the General Inspectorate of Road Transport (GITD) or the Civil Aviation Authority (ULC),
- Pharmaceuticals and medical devices – permits from the Chief Pharmaceutical Inspectorate (GIF),
- Gambling – licenses issued by the Ministry of Finance.

4.5. Strategic sectors and protection of public interest

Polish law also includes a category of “strategic companies” whose ownership structure is protected under special legislation. These companies operate in sectors essential to the functioning of the state, such as energy, defense, telecommunications, and critical infrastructure. Any acquisition of a controlling interest by a non-EU investor is subject to prior approval by the competent authorities.

This mechanism does not restrict foreign investment in general but ensures state oversight in cases where an acquisition could impact public safety or strategic economic interests.

4.6. Summary

Poland maintains a liberal investment environment and provides Canadian investors with broad access to nearly all sectors of the economy. The few existing restrictions are consistent with EU standards and focus on safeguarding national and strategic interests. Thanks to the CETA agreement and Poland's pro-investment policies, Canadian entities can enter the Polish market with a high degree of legal certainty, provided that registration, notification, and licensing procedures are properly followed.



III. TAX AND FINANCIAL ASPECTS OF BUSINESS OPERATIONS

1. The Polish tax system – fundamental principles

Poland has a tax system consistent with European Union standards, characterized by clear legal regulations and an extensive network of international double taxation treaties. For foreign investors, including those from Canada, Poland offers a transparent and predictable tax environment supported by electronic administration and a wide range of investment incentives.

The tax system is based on the principle of universality, meaning that all entities conducting business activity in Poland are subject to taxation according to Polish tax law, regardless of their form or country of origin.

Key taxes applicable to business entities in Poland include:

- corporate income tax (CIT),
- personal income tax (PIT),
- value added tax (VAT),
- real estate tax,
- civil law transaction tax (PCC),
- excise duty (for selected goods).

1.1. Corporate Income Tax (CIT)

Corporate income tax is levied on the income of legal entities such as limited liability companies (sp. z o.o.), joint-stock companies (S.A.), simple joint-stock companies (P.S.A.), and branches of foreign enterprises.

The standard CIT rate is 19%. A reduced rate of 9% applies to small taxpayers (annual revenue up to 2 million EUR) and new companies during their first year of operation.

Taxable income is determined as the difference between revenues and tax-deductible costs, with adjustments defined by the Corporate Income Tax Act.

Entities with their registered office or management in Poland are taxed on their worldwide income, while non-resident entities (including branches of foreign companies) are taxed only on income earned in Poland.



1.2. Personal Income Tax (PIT)

Personal income tax applies to individuals conducting business activity as sole proprietors or shareholders in partnerships. Depending on the chosen form, taxation may be:

- progressive – 12% and 32% tax brackets,
- flat-rate – 19% (for self-employed professionals or entrepreneurs),
- lump-sum – from 2% to 17%, depending on the type of activity.

Foreign individuals are considered Polish tax residents if they have a permanent place of residence in Poland or spend more than 183 days per year in the country. Residents are taxed on their worldwide income, while non-residents are taxed only on income earned in Poland.

1.3. Value Added Tax (VAT)

VAT is the most important indirect tax and applies to the supply of goods and services, imports, and intra-EU acquisitions.

The standard VAT rate is 23%. Reduced rates include:

- 8% – for selected services and goods (e.g., construction, transport, medical equipment),
- 5% – for food, books, and press,
- 0% – for exports and intra-EU supplies.

Entrepreneurs whose annual turnover exceeds 200,000 PLN are required to register as active VAT taxpayers. Registration is carried out electronically by submitting a VAT-R form to the competent tax office.

VAT returns are filed monthly or quarterly, depending on the size of the business, and all accounting must be maintained electronically using the Standard Audit File (JPK_V7).



1.4. Withholding tax (WHT)

Payments of dividends, interest, and royalties made to foreign entities are generally subject to withholding tax in Poland. The standard WHT rates are:

- 19% – on dividends,
- 20% – on interest, royalties, and certain service fees.

However, these rates can be reduced or eliminated under double taxation treaties, including the Agreement between the Government of the Republic of Poland and the Government of Canada for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (signed in 2012).

Under the Poland–Canada treaty:

- dividends – 5% or 15%, depending on shareholding,
- interest – 10%,
- royalties – 10%.

To apply reduced rates, the foreign recipient must provide a valid tax residency certificate.

1.5. Other business taxes

Real estate tax – levied by municipalities on owners of land, buildings, and structures used for business purposes. Rates are set annually within limits defined by law.

Civil law transaction tax (PCC) – applies to selected legal transactions, such as the sale of company shares (0.5%) or loans (0.5%).

Excise duty – imposed on goods such as fuel, alcohol, tobacco, and electricity.

1.6. Tax administration and compliance

Polish tax administration is fully digitalized. All declarations, notifications, and financial statements are submitted electronically. Businesses may use the e-Urząd Skarbowy portal for filing and communication with the tax office.



Tax audits are conducted by the National Revenue Administration (KAS), which has extensive powers to verify accounting documentation and financial flows. Taxpayers may apply for individual tax rulings to confirm the correct interpretation of specific tax provisions.

1.7. Incentives and reliefs

Poland offers a wide range of investment incentives, including:

- Polish Investment Zone (PSI) – income tax exemption of up to 15 years for new investments,
- Research and Development (R&D) relief – allows deduction of up to 200% of eligible R&D costs,
- IP Box – preferential 5% tax rate on income derived from intellectual property,
- Innovation Box – relief for technology-oriented projects,
- regional investment aid – based on the location and type of project.

These instruments make Poland an attractive location for foreign investors seeking long-term operational and fiscal stability.



2. Taxation of foreign entities (including rules concerning profits, dividends, and interest, and the Poland–Canada Double Taxation Agreement)

Foreign investors from Canada conducting business activity in Poland are subject to taxation under the same principles as domestic entities, with specific provisions derived from international tax treaties and EU regulations. The fundamental rule is that non-resident entities are taxed in Poland only on income earned within the territory of the Republic of Poland.

2.1. Tax residency and the scope of taxation

A company is considered a Polish tax resident if it has its registered office (statutory seat) or place of management in Poland. Such entities are subject to unlimited tax liability, meaning they are taxed on their worldwide income.

Canadian entities operating in Poland without a registered office or management in the country (for example, through a branch, permanent establishment, or by providing services) are subject to limited tax liability – only on income derived from Polish sources.

The definition of a “permanent establishment” follows the OECD Model Convention and includes a fixed place of business through which the company’s operations are wholly or partly carried out (e.g., an office, factory, or construction site active for more than 12 months).

2.2. Taxation of branches and representative offices

A branch of a Canadian company registered in Poland is treated as a permanent establishment and is taxed on its income earned in Poland under the same rules that apply to Polish companies. The standard corporate income tax rate of 19% (or 9% for small taxpayers) applies.

A representative office, on the other hand, is not subject to corporate income tax because it does not conduct commercial activity. Its expenses (e.g., promotional or administrative costs) are not tax-deductible in Poland, but may be considered business expenses in the parent company’s accounts in Canada.



2.3. Taxation of dividends, interest, and royalties

Payments of dividends, interest, and royalties from Poland to Canadian residents are subject to withholding tax (WHT). The standard WHT rates are 19% for dividends and 20% for interest and royalties.

However, these rates can be reduced under the Double Taxation Agreement between the Government of the Republic of Poland and the Government of Canada (signed on May 14, 2012, effective from 2013). The treaty ensures that income is taxed only once – either in Poland or in Canada – and prevents fiscal evasion.

Under the Poland–Canada Double Taxation Agreement:

- Dividends – 5% WHT if the Canadian company directly owns at least 10% of the voting shares in the Polish company; otherwise 15%.
- Interest – 10% WHT.
- Royalties – 10% WHT.

To apply reduced treaty rates, the Canadian beneficiary must provide the Polish payer with a valid certificate of tax residence issued by the Canadian Revenue Agency (CRA).

The payer (Polish company) acts as the withholding agent responsible for calculating, collecting, and remitting the tax to the Polish tax office.

2.4. Transfer pricing and related-party transactions

Polish tax law contains detailed transfer pricing regulations based on OECD guidelines. They apply to transactions between related entities, including cross-border arrangements involving Canadian companies.

Entities conducting such transactions must prepare transfer pricing documentation demonstrating that their pricing is consistent with the arm's-length principle. The documentation must include a local file, a master file, and a benchmarking study.

Failure to maintain proper documentation may result in financial penalties and the re-assessment of taxable income by the Polish tax authorities.



2.5. Avoidance of double taxation

The Poland–Canada Double Taxation Agreement applies the credit method to avoid double taxation. This means that income taxed in Poland may also be declared in Canada, but the tax paid in Poland is credited against Canadian tax due on that same income.

Canadian residents earning income in Poland should therefore declare their Polish-source income in Canada and deduct the Polish tax paid from their Canadian tax liability.

The treaty covers the following categories of income:

- income from real estate,
- business profits,
- dividends, interest, and royalties,
- capital gains,
- independent personal services,
- employment income,
- director's fees,
- pensions and social security benefits,
- income from public service and students.

2.6. Tax information exchange and anti-avoidance measures

Poland and Canada cooperate closely in tax transparency and information exchange under the OECD's Common Reporting Standard (CRS) and BEPS framework. Both countries have implemented anti-avoidance measures, including Controlled Foreign Company (CFC) rules, general anti-abuse rules (GAAR), and reporting obligations for cross-border arrangements (DAC6).

Canadian entities operating in Poland are expected to maintain full tax transparency and compliance with both domestic and international reporting standards.



2.7. Summary

The Polish tax system ensures fair and transparent taxation of foreign investors. The Poland–Canada Double Taxation Agreement significantly reduces the tax burden by eliminating double taxation and ensuring predictability of fiscal obligations.

Thanks to these mechanisms, Canadian companies can safely operate and reinvest their profits in Poland, with clear rules governing taxation of dividends, interest, and royalties, and effective protection against double taxation.

3. Incentives and tax reliefs for investors (Polish Investment Zone, R&D Tax Relief, IP Box, regional preferences, and special economic zones)

Poland offers a wide and competitive system of tax incentives designed to encourage both domestic and foreign investment, stimulate innovation, and support regional development. Canadian investors can benefit from the same range of incentives as EU investors, provided they meet the statutory eligibility criteria. These incentives apply to newly established companies, business expansions, and R&D or technology-oriented projects.

3.1. Polish Investment Zone (PSI)

The Polish Investment Zone (Polska Strefa Inwestycji – PSI) is a nationwide program that replaced the former system of Special Economic Zones (SEZs). It allows investors to obtain corporate income tax (CIT) or personal income tax (PIT) exemptions for new investment projects, regardless of their location in Poland.

The amount and duration of tax exemption depend on:

- the region of investment (based on the regional aid map approved by the European Commission),
- the size of the enterprise (small, medium, or large),
- the amount of eligible investment costs,
- the number of newly created jobs.

The maximum intensity of public aid (the share of eligible costs that may be exempt from tax) ranges from 10% to 50%, depending on the voivodeship (region). For example, in eastern Poland the exemption can reach up to 50%, while in Warsaw it is limited to 10%.



Investors obtain an official decision granting public aid, issued by the relevant regional zone authority (e.g., Katowice Special Economic Zone, Pomeranian SEZ). The exemption is valid for 10 to 15 years, during which the company can deduct the granted aid from its CIT or PIT liabilities.

Eligible costs may include:

- purchase of land, buildings, and machinery,
- construction and modernization of facilities,
- acquisition of intangible assets (licenses, patents, software),
- employee training and job creation expenses.

The PSI program applies to nearly all sectors except for specific industries excluded under EU state aid regulations (e.g., tobacco, steel, coal).

3.2. Research and Development (R&D) Tax Relief

The R&D relief (ulga badawczo-rozwojowa) allows companies to deduct up to 200% of eligible research and development expenses from their taxable base. It is one of the most attractive innovation incentives in Europe.

Eligible costs include:

- salaries of employees engaged in R&D projects,
- purchase of materials, equipment, and laboratory tools,
- expert opinions and technical documentation,
- depreciation of R&D assets,
- outsourcing of research tasks to scientific units.

The relief is available to all entities conducting R&D, regardless of size or industry. It can be used cumulatively with other incentives, such as the PSI and IP Box regimes.

3.3. IP Box

The IP Box (Innovation Box) allows a preferential 5% tax rate on income derived from qualified intellectual property rights developed, improved, or commercialized in Poland.



Qualified IP assets include:

- patents,
- utility models,
- industrial designs,
- rights to computer programs,
- topographies of integrated circuits,
- supplementary protection certificates for pharmaceuticals or plant protection products.

The relief applies to income generated from licensing, sales, or use of such IP in products and services. To benefit, the taxpayer must maintain detailed records linking IP income with R&D expenditures and demonstrate that the IP was developed or improved through the company's own R&D activity.

3.4. Regional and sectoral investment support

In addition to the PSI, Poland provides regional investment incentives financed through EU structural and cohesion funds. They are available for projects that create jobs, introduce innovation, or contribute to sustainable development.

Support programs may include:

- non-repayable grants for infrastructure and innovation projects,
- co-financing of employee training,
- subsidies for renewable energy and digital transformation,
- support for R&D centers and technology parks.

Canadian investors operating in manufacturing, logistics, IT, renewable energy, and advanced technology sectors are particularly eligible for such support.

3.5. Relief for innovative employees

Companies employing workers in research, development, or design roles can additionally deduct up to 200% of eligible salary costs from their tax base. This relief applies even if the company does not generate taxable income in the given fiscal year, allowing for the deduction to be carried forward.



3.6. Investment in Special Economic Zones (legacy regime)

Although the old Special Economic Zones (SEZs) were replaced by the Polish Investment Zone, permits granted under the previous system remain valid until their expiry. Investors operating under these permits may continue to enjoy full income tax exemption within the originally specified area and timeframe.

3.7. Summary

Poland's incentive framework is one of the most comprehensive in Central Europe. It combines fiscal reliefs, regional aid, and innovation support in a unified, transparent system. For Canadian investors, it provides an opportunity to optimize operational costs and increase project profitability while benefiting from predictable and EU-compliant state aid rules.

Proper use of available instruments, often with the support of legal and tax advisors, can significantly enhance the long-term financial efficiency of an investment project in Poland.



4. Accounting and reporting obligations for foreign investors

Foreign investors operating in Poland are subject to accounting and financial reporting rules consistent with European Union standards. The accounting framework ensures transparency, reliability, and comparability of financial data, which is essential for both regulatory compliance and investor confidence.

4.1. Legal framework

The fundamental legal act governing accounting in Poland is the Accounting Act of 29 September 1994 (Journal of Laws 2023, item 120, as amended). This law applies to all entities operating in Poland, including companies with foreign capital, branches, and representative offices.

In addition, Polish accounting regulations are harmonized with EU directives and, in the case of publicly listed companies, International Financial Reporting Standards (IFRS). Entities that are part of international capital groups often apply IFRS voluntarily to ensure consistency of financial statements across jurisdictions.

4.2. Accounting principles

All companies and partnerships entered in the National Court Register (KRS) must maintain full accounting books in Polish and in the Polish currency (PLN). Accounting records must reflect the company's financial position clearly and accurately and include:

- a chart of accounts,
- general ledger and subsidiary ledgers,
- inventory records,
- cash reports and bank statements,
- payroll documentation,
- fixed asset and depreciation records.

Accounting documents must be stored for at least five years from the end of the financial year to which they relate.



Branches of foreign companies must maintain separate accounting records for their operations in Poland, although financial statements may be consolidated with those of the parent entity abroad. Representative offices, which do not conduct business activity, are subject to simplified bookkeeping covering only expenses and administrative costs.

4.3. Financial statements

At the end of each financial year, every company operating in Poland must prepare annual financial statements consisting of:

- a balance sheet,
- a profit and loss account,
- notes and explanations,
- a management report (for larger entities).

Entities meeting two of the following three criteria are considered “small” and may use simplified financial reporting:

- fewer than 50 employees,
- total assets below 25 million PLN,
- annual turnover below 50 million PLN.

Medium and large entities, as well as companies subject to statutory audit (e.g., capital companies, listed firms, and banks), must prepare full financial statements and have them audited by a certified auditor.

Financial statements must be drawn up in electronic form, signed with a qualified electronic signature or a trusted ePUAP profile, and submitted to the National Court Register (KRS) within three months after the end of the financial year.

Failure to file financial statements on time may result in fines, the imposition of penalties on management board members, or even the initiation of liquidation proceedings by the registration court.



4.4. Audit requirements

The statutory audit obligation applies to entities that, in the previous financial year, exceeded at least two of the following thresholds:

- average annual employment of at least 50 people,
- total assets exceeding 2.5 million EUR,
- net turnover exceeding 5 million EUR.

Audits must be conducted by an independent statutory auditor (biegły rewident) in accordance with Polish Auditing Standards and International Standards on Auditing (ISA). The auditor verifies the accuracy and reliability of the financial statements and assesses internal control procedures.

4.5. Consolidated reporting

Groups of companies controlled by a parent entity (including those with Canadian ownership) may be required to prepare consolidated financial statements. These statements present the group's financial position as a single economic entity and are subject to the same filing and audit requirements as individual company statements.

If the parent company is based outside the EU (for instance, in Canada), it may use consolidated reports prepared under IFRS, provided that they are publicly available and comply with Polish disclosure rules.

4.6. Tax reporting obligations

Apart from financial reporting, companies must also fulfill periodic tax reporting obligations. These include:

- monthly or quarterly VAT returns (JPK_V7),
- annual CIT or PIT returns,
- withholding tax (WHT) declarations,
- transfer pricing documentation (if applicable),
- reports to the Central Statistical Office (GUS) and National Bank of Poland (NBP) for foreign transactions.

All reports are submitted electronically through official government portals.



4.7. Electronic accounting and e-audit

Poland has implemented a fully digitalized tax and accounting reporting system. The Standard Audit File (Jednolity Plik Kontrolny – JPK) is an electronic file containing detailed financial data that must be provided to the tax authorities upon request or periodically (for VAT).

The JPK system allows the authorities to monitor compliance and detect irregularities in real time. Companies must therefore ensure that their accounting software is compatible with the JPK format and that data is securely stored and backed up.

4.8. Summary

Accounting and financial reporting obligations in Poland are well-defined and transparent. The system ensures reliability and investor protection through mandatory registration, electronic submissions, and the public availability of financial data.

For Canadian investors, compliance with these requirements not only ensures legal security but also enhances credibility in the eyes of business partners, financial institutions, and regulatory bodies. Proper bookkeeping and timely reporting are essential elements of effective corporate governance and long-term operational stability in the Polish market.



5. Financial flows and currency regulations

Poland maintains a liberal system for the movement of capital and financial settlements, consistent with the principles of the European Union and OECD. Both domestic and foreign investors, including those from Canada, may freely transfer funds for investment, dividend payments, loan servicing, and other legitimate business purposes, subject to standard reporting and compliance obligations.

5.1. General principles of capital movement

Foreign investors are guaranteed full freedom to transfer capital to and from Poland. This includes:

- the right to repatriate profits and dividends after tax obligations are settled,
- the right to transfer proceeds from the sale or liquidation of an investment,
- the ability to make and receive payments related to services, goods, or technology,
- the right to repay loans, interest, and fees related to financing obtained abroad.

Restrictions apply only to transactions involving sanctioned countries or entities, in line with EU and international regulations.

5.2. Banking system and payment operations

All entities conducting business activity in Poland are required to hold a bank account with a financial institution operating in Poland. Business accounts are necessary for tax settlements, social insurance contributions, and transactions exceeding 15,000 PLN.

Poland has a modern and well-regulated banking system supervised by the Polish Financial Supervision Authority (KNF). All major international banks have a presence in the country, and cross-border transfers are executed efficiently under the SEPA and SWIFT systems.

Foreign currency accounts may be held in major currencies such as USD, EUR, GBP, or CAD. The use of multiple-currency business accounts is common, especially among exporters and companies engaged in international trade.



Electronic payment systems, including online banking and secure payment gateways, are widely used and comply with the EU's PSD2 directive, ensuring a high level of transaction security.

5.3. Currency regulations

Poland's foreign exchange regime is regulated by the Foreign Exchange Law (Journal of Laws 2022, item 1267). It guarantees the free exchange of currencies for both residents and non-residents, with limited restrictions related to anti-money laundering (AML) and counter-terrorist financing (CTF).

The Polish currency is the złoty (PLN). All accounting, tax settlements, and financial statements must be prepared in PLN, although operational transactions may be conducted in foreign currencies. Exchange rates for accounting purposes are determined according to the official rates published by the National Bank of Poland (NBP).

Foreign investors may freely exchange currencies through licensed banks and financial institutions. No restrictions apply to the conversion of investment capital, loan repayments, or the repatriation of profits.

5.4. Reporting obligations and cross-border transactions

While capital movements are liberalized, certain cross-border transactions must be reported to Polish authorities for statistical or monitoring purposes.

Entities conducting cross-border financial operations are required to report selected transactions to:

- the National Bank of Poland (NBP) – for statistical reporting on foreign assets and liabilities,
- the Ministry of Finance – for tax and anti-money laundering purposes,
- the tax administration – in cases of intra-group financing or transfer pricing.

The NBP reporting system applies mainly to entities whose total foreign assets or liabilities exceed 10 million PLN. Reports are submitted electronically through the NBP's "Portal Sprawozdawczy."



Payments related to trade, services, or dividends are not restricted, but businesses must retain documentation (invoices, contracts, or payment confirmations) for audit purposes.

5.5. Anti-money laundering (AML) and compliance

All financial institutions and companies engaged in high-value transactions must comply with the Polish Anti-Money Laundering and Counter-Terrorist Financing Act (Journal of Laws 2024, item 35). Obligations include:

- customer identification (KYC) and verification of beneficial owners,
- ongoing monitoring of business relationships and transactions,
- reporting of suspicious transactions to the General Inspector of Financial Information (GIIF).

Companies entered in the Central Register of Beneficial Owners (CRBR) must keep ownership information up to date. Non-compliance may result in financial penalties or restrictions on operations.

5.6. Repatriation of profits

After paying corporate income tax and withholding tax (if applicable), foreign investors are free to transfer profits abroad. Dividends, interest, and royalties can be paid to Canada in accordance with the Double Taxation Agreement between Poland and Canada, ensuring that income is not taxed twice.

Bank transfers to Canada are executed in convertible currencies through standard international payment systems. There are no foreign exchange permits required for such transactions.

5.7. Financing and loans

Foreign investors may freely obtain financing from Polish or foreign banks. Loans granted by non-resident lenders are permitted, provided that they comply with transfer pricing regulations and arm's-length conditions. Interest payments may be subject to withholding tax, but exemptions or reduced rates apply under the Poland-Canada Double Taxation Agreement.

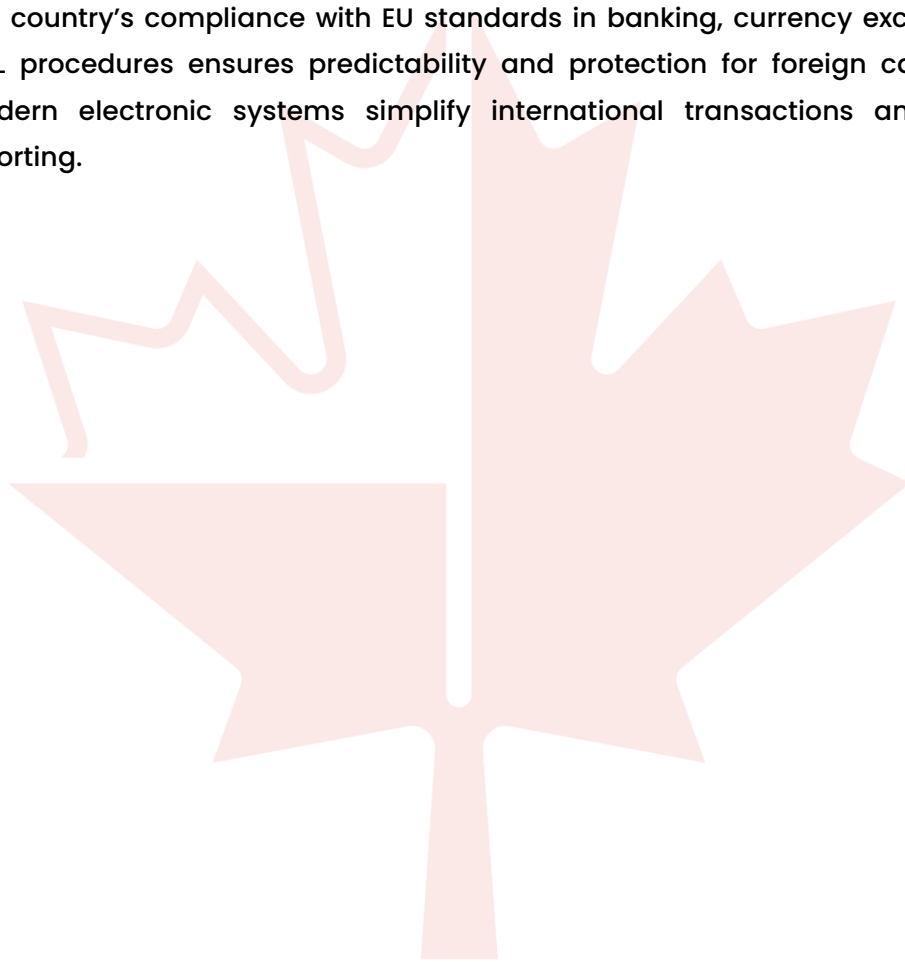
Polish companies may also grant loans to foreign affiliates, provided that the transaction is properly documented and reported.



5.8. Summary

Poland provides a liberal and secure financial environment for international capital flows. Canadian investors benefit from full freedom in transferring funds and repatriating profits, supported by stable banking infrastructure and transparent regulations.

The country's compliance with EU standards in banking, currency exchange, and AML procedures ensures predictability and protection for foreign capital, while modern electronic systems simplify international transactions and financial reporting.



IV. AREAS AND OPPORTUNITIES FOR INVESTMENT

1. The Polish economy – stability and development trends

Poland is one of the most dynamically developing economies in Europe and the largest economy in Central and Eastern Europe. It represents a stable and predictable environment for long-term investment. Despite global challenges, including the COVID-19 pandemic and geopolitical instability, Poland has maintained steady GDP growth, a diversified industrial base, and a high level of resilience.

Over the last two decades, Poland's GDP has doubled in real terms. Between 2010 and 2024, average annual GDP growth remained above 3.5%, with projections by the European Commission and OECD indicating continued growth of 2.5–3% annually in the medium term.

Key macroeconomic advantages include:

- membership in the European Union and access to the single market,
- strong domestic demand driven by a population of over 38 million consumers,
- a well-educated and skilled labor force,
- developed infrastructure and logistics networks connecting Western and Eastern Europe,
- political and economic stability supported by EU and NATO membership,
- competitive labor costs compared with Western Europe,
- extensive use of EU funds for innovation, digitalization, and infrastructure development.

Poland's monetary and fiscal policy is managed prudently, with the National Bank of Poland maintaining relative stability of the national currency (PLN) and low public debt compared with the EU average.

In addition to manufacturing and traditional industries, Poland is becoming a hub for high-value services, technology, renewable energy, and business process outsourcing (BPO/SSC). The digital economy is growing rapidly, supported by a strong start-up ecosystem and increasing foreign investment in ICT, fintech, and biotechnology.



The World Bank, IMF, and OECD rank Poland among the most attractive investment destinations in Central Europe, emphasizing institutional stability, transparent legal regulations, and a pro-investment climate.

1.1. Foreign direct investment (FDI) trends

In 2023, the total stock of foreign direct investment (FDI) in Poland exceeded 270 billion EUR, with major contributions from Germany, the Netherlands, France, the United States, and Canada. Canadian investment is particularly visible in sectors such as finance, energy, mining, and shared services.

Poland's FDI inflows have remained stable even in periods of global uncertainty, supported by EU integration, developed capital markets, and a large domestic consumer base.

Foreign investors benefit from:

- access to skilled and multilingual professionals,
- efficient transport and logistics infrastructure,
- government incentives under the Polish Investment Zone (PSI),
- advanced digital and financial services infrastructure,
- proximity to key EU markets.

Poland's geographic location — at the crossroads of Western and Eastern Europe — makes it an ideal logistics, production, and service center for companies expanding into the broader European market.

1.2. Economic outlook

According to the OECD (2024), Poland's economy is projected to continue its upward trajectory, driven by innovation, energy transformation, and export diversification.



Priority sectors identified in Poland's development strategy include:

- renewable energy and green transformation,
- advanced manufacturing and automation,
- digital technologies and cybersecurity,
- healthcare and biotechnology,
- modern transport and logistics,
- food processing and agri-business,
- tourism and cultural industries.

Poland's role as a strategic partner in transatlantic cooperation is expected to strengthen, especially in energy, defense, and technology sectors, which offer significant opportunities for Canadian investors.

1.3. Strategic location and logistics advantages

Poland's central position in Europe ensures direct access to major transport corridors connecting Western Europe, Scandinavia, and Eastern markets. The country's infrastructure includes:

- 17 international airports,
- an extensive highway and expressway network,
- modern seaports in Gdańsk, Gdynia, Szczecin, and Świnoujście,
- access to the Baltic Sea and key European rail freight routes, including the TEN-T network.

This makes Poland a leading logistics hub in the region, suitable for distribution centers, e-commerce operations, and cross-border manufacturing.

Poland's participation in EU programs such as the Connecting Europe Facility (CEF) and the Trans-European Transport Network (TEN-T) further enhances its connectivity and investment attractiveness for logistics and transport-oriented projects.



2. Key sectors for Canadian investors

Poland offers diverse opportunities for Canadian companies across both traditional industries and emerging high-technology sectors. The combination of stable economic growth, EU membership, strategic location, and skilled workforce makes Poland an attractive and reliable partner for long-term investment.

The most promising areas for Canadian investors include:

2.1. Renewable energy and green transformation

Poland is undergoing a major energy transition aimed at reducing carbon emissions and increasing the share of renewable energy sources in the national energy mix. By 2030, renewables are expected to cover at least 50% of electricity production.

Key areas of investment include:

- wind power (both onshore and offshore projects in the Baltic Sea),
- solar energy (photovoltaic farms and distributed energy solutions),
- biomass and biogas installations,
- hydrogen technologies and green hydrogen production,
- energy storage systems and smart grids.

Canadian companies with experience in renewable energy, sustainable infrastructure, and environmental technologies (especially in hydrogen, energy efficiency, and carbon capture) are well-positioned to participate in Poland's decarbonization process.

The Polish government supports these investments through preferential financing, EU co-funding programs, and public-private partnerships (PPPs) in the energy sector.



2.2. Mining, raw materials, and energy security

Poland has a long-standing industrial tradition in mining and metallurgy, which is now being modernized through digital and environmentally sustainable technologies. Canadian expertise in resource extraction, geological exploration, and sustainable mining can significantly contribute to this transformation.

Investment opportunities exist in:

- extraction and processing of critical raw materials (copper, silver, rare earth elements),
- modernization of mining equipment and automation,
- waste management and mine reclamation technologies,
- renewable energy supply for industrial operations.

In addition, Poland's growing focus on energy security and diversification (including LNG imports and natural gas infrastructure) creates opportunities for cooperation in energy logistics, storage, and clean fuel technologies.

2.3. Advanced manufacturing and industrial automation

The manufacturing sector is one of the main pillars of the Polish economy, accounting for nearly 20% of GDP. Canada's industrial technology, engineering solutions, and automation expertise are highly compatible with Poland's goals of increasing efficiency and productivity.

Promising areas include:

- automotive and e-mobility (EV batteries, electric buses, charging infrastructure),
- aerospace engineering and components,
- precision machinery and robotics,
- advanced materials and additive manufacturing (3D printing),
- industrial software and control systems.

Many Canadian technology companies already cooperate with Polish industrial clusters in Silesia, Lower Silesia, and Wielkopolska, where local governments and universities provide R&D support.



2.4. Information and communication technologies (ICT)

Poland is a leading digital economy in Central Europe, with over 500,000 ICT professionals and a strong culture of software development, cybersecurity, and data analytics.

Canadian investors will find opportunities in:

- software development and IT outsourcing (shared services centers, BPO/SSC),
- cloud computing and data centers,
- cybersecurity and blockchain,
- fintech, insurtech, and e-commerce platforms,
- AI-driven solutions and digital transformation consulting.

Polish technology parks and innovation hubs (such as Warsaw, Kraków, Wrocław, and Gdańsk) provide world-class infrastructure, access to talent, and strong links to universities. Many Canadian tech companies have already established development centers or strategic partnerships in Poland.

2.5. Biotechnology, pharmaceuticals, and medical devices

The Polish life sciences sector is rapidly expanding, supported by strong academic research, access to EU funding, and a growing domestic market.

Investment areas include:

- clinical trials and R&D centers,
- production of generic and innovative drugs,
- biotechnology applications in medicine and agriculture,
- production of medical equipment and diagnostic devices,
- digital health and telemedicine solutions.

Canada's strengths in biotechnology and medical innovation align well with Poland's strategic goals to strengthen domestic production and reduce dependency on imports.



2.6. Agriculture and agri-food industry

Poland is one of the largest food producers in the EU and an important exporter of agricultural products. Opportunities for Canadian companies include:

- modern agricultural technology and precision farming,
- food processing and packaging,
- cold storage and logistics,
- organic and health food products,
- sustainable farming and bioeconomy solutions.

Cooperation in food trade has been strengthened by the CETA agreement, which facilitates access to the EU market for Canadian exporters and ensures high standards of food safety and quality.

2.7. Infrastructure, transport, and logistics

Poland continues to invest heavily in infrastructure modernization. The value of projects in transport, logistics, and construction exceeds 100 billion EUR, financed through EU funds and public-private partnerships.

Key areas of investment include:

- rail and road infrastructure (expansion of expressways and modernization of railways),
- airport infrastructure (including the Central Communication Port – CPK project),
- seaport and inland terminal modernization,
- logistics centers and industrial parks,
- sustainable urban transport (electric buses, tram systems).

Canadian engineering and construction firms, as well as investors in logistics and transport services, can play an active role in these strategic developments.

2.8. Real estate and business services

The Polish real estate market remains one of the most attractive in Europe, with high demand for office, residential, logistics, and retail properties.



Opportunities include:

- office space for shared service centers and IT companies,
- residential development in major urban areas,
- logistics and warehouse facilities (particularly near Warsaw, Łódź, Poznań, and Wrocław),
- retail and mixed-use projects.

The business services sector (BPO, SSC, IT, finance) is one of Poland's most rapidly growing industries, employing over 400,000 specialists. Canadian investors can benefit from competitive operational costs and access to qualified, English-speaking staff.

2.9. Tourism, culture, and creative industries

Poland's tourism sector has grown steadily, supported by cultural heritage, nature, and business travel. Investment opportunities exist in:

- hotel and resort infrastructure,
- spa and wellness centers,
- conference and event facilities,
- cultural and film production.

Cooperation between Polish and Canadian institutions in film, culture, and creative industries is supported by bilateral agreements and co-production treaties.

2.10. Summary

The diversity of Poland's economic landscape provides Canadian investors with numerous options for profitable and sustainable engagement. The combination of EU market access, skilled workforce, government incentives, and strong transatlantic relations positions Poland as one of the most promising destinations for Canadian capital in Europe.



V. THE ROLE OF THE POLISH DIASPORA AND BUSINESS ORGANIZATIONS

1. The Polish business community in Canada – potential and significance

The Polish community in Canada is one of the most numerous and active Polish diasporas worldwide. It is estimated that nearly one million people of Polish descent live in Canada, forming an important social, cultural, and economic bridge between the two countries.

Over the past decades, the Polish diaspora has evolved from a primarily cultural community into an active participant in economic cooperation. Many Polish-Canadian entrepreneurs operate in sectors such as trade, logistics, construction, information technology, and financial services. Their experience and credibility within the Canadian business environment make them natural partners for Polish and Canadian enterprises seeking to develop bilateral projects.

Organizations such as the Canada–Poland Chamber of Commerce (CPCC) and local Polish business associations in Toronto, Montreal, and Vancouver actively promote trade and investment relations. They organize business forums, networking events, and trade missions, providing both Polish and Canadian entrepreneurs with access to reliable market information and partners.

The potential of the Polish business community in Canada lies not only in its numbers but also in its deep integration into the Canadian economy, multilingual competencies, and the ability to operate effectively in both North American and European contexts.

1.1. Areas of cooperation

Polish entrepreneurs in Canada are increasingly engaged in:

- supporting Polish exporters entering the Canadian market,
- building distribution networks for Polish products and services,
- co-investing in joint ventures in Poland,
- promoting Poland as a modern and innovative business destination.

By leveraging personal and business relationships, the Polish diaspora can facilitate market entry, mitigate cultural and regulatory risks, and strengthen Poland's economic presence in Canada.



2. The Polish diaspora as an economic and image-building bridge

The Polish diaspora plays an essential role in shaping Poland's image abroad. Through active participation in business, academia, and culture, Polish-Canadians help strengthen bilateral relations and enhance mutual understanding.

Their engagement in promoting Polish culture, science, and entrepreneurship contributes to a positive perception of Poland as a dynamic, innovative, and reliable partner.

The diaspora also serves as a platform for knowledge transfer, connecting Canadian capital and know-how with opportunities in the Polish economy. The second and third generations of Polish-Canadians, often educated in Canada's best universities, are increasingly involved in international business projects, start-ups, and technological ventures linking both countries.

The role of the diaspora is therefore dual: it supports Polish enterprises abroad and enriches Canada's multicultural and economic landscape.

3. Activities of the Canada–Poland Chamber of Commerce (CPCC)

The Canada–Poland Chamber of Commerce (CPCC), headquartered in Toronto, is the leading institution promoting economic cooperation between the two countries. It brings together businesses, entrepreneurs, and professionals interested in developing trade, investment, and innovation links.

The Chamber's main objectives include:

- promoting bilateral trade and investment,
- organizing economic missions, seminars, and conferences,
- assisting companies in establishing partnerships and finding distributors,
- facilitating access to information on legal and tax frameworks,
- supporting start-ups and technology transfer projects,
- cooperating with governmental and regional institutions in both countries.

The CPCC actively collaborates with the Polish Investment and Trade Agency (PAIH), Polish diplomatic missions, and Canadian authorities, creating a comprehensive network for business support.



Its initiatives, such as the Poland–Canada Business Forum, serve as a platform for exchanging experience, presenting investment opportunities, and strengthening Poland’s position as a reliable economic partner in North America.

4. The role of the Bliżej Polski Foundation in developing economic relations

The Bliżej Polski Foundation (“Closer to Poland”) plays a complementary and strategic role in supporting Polish–Canadian relations. Its mission is to promote Poland’s economic potential, culture, and innovation in North America through projects that connect business, education, and diplomacy.

The Foundation organizes international conferences, economic missions, and networking events aimed at attracting Canadian investors to Poland and supporting Polish enterprises in their expansion abroad. It also engages in educational and research initiatives focused on new technologies, sustainable development, and cultural exchange.

Through cooperation with business chambers, universities, and government institutions, the Foundation strengthens Poland’s economic diplomacy and fosters long-term partnerships between Polish and Canadian entities.

Its activities are guided by the principle of building mutual trust, promoting innovation, and showcasing Poland as a country open to cooperation and investment.

4.1. Strategic importance of diaspora initiatives

Projects undertaken by organizations such as the CPCC and Bliżej Polski Foundation play a key role in shaping the modern framework of transatlantic economic cooperation. They transform cultural ties into tangible business relationships and contribute to the creation of a shared ecosystem of innovation, entrepreneurship, and mutual understanding.

The integration of diaspora networks with government initiatives (such as the Polish Investment and Trade Agency – PAIH, and the Ministry of Development and



Technology) ensures consistency of action and strengthens Poland's position as an active and reliable partner for Canada in the global economy.

4.2. Summary

The Polish diaspora in Canada, supported by business organizations and foundations, represents one of the most valuable assets in bilateral relations. By combining trust, professional experience, and institutional cooperation, it contributes to the sustainable growth of trade, investment, and technological collaboration between Poland and Canada.

Its role goes beyond economic impact — it also strengthens cultural identity, builds Poland's image as a modern and innovative country, and enhances the transatlantic partnership that both nations continue to develop.



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