

FOCUS ON POLAND

Introducing the Polish Fintech Ecosystem

Key Insights for Foreign Investors



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A Transformation That Surprised Europe

IMPORTANT DATES FOR THE POLISH ECONOMY:



1989 – First semi-free elections since WWII marked the beginning of democratic transition



1991 – Poland joins the Council of Europe



1994 – Poland becomes a member of the World Trade Organization (WTO)



1996 – Poland joins the OECD



1999 – Poland becomes a member of NATO



2004 – Poland joins the European Union !!!



The Economist, May 2025:

Poland is an underestimated European powerhouse.

Foundations of Success – The Numbers Tell the Story

3x

Since 1995, income per capita has tripled

\$2,400

Average salary in Q1 2025

4%

Average GDP growth; since 2004, Poland has almost completely avoided recession

5.0%

May 2025 unemployment rate – second lowest in the EU

The Perfect Ground for Innovation

What made fintech possible in Poland?



Digitally savvy consumers

Polish consumers are quick to adopt new technologies and digital solutions, creating strong demand for innovative financial services.



Competitive market

Continuous economic growth fosters innovation and the development of new fintech solutions.



Skilled talent pool

Poland has a highly skilled pool of IT and finance professionals who drive the growth of the fintech sector.



A cultural shift toward innovation

A cultural shift toward innovation and entrepreneurship has created a supportive environment for fintech startups.

The Fintech Boom

In 2018: **167** fintech companies

In 2024: **383** fintech companies – a nearly **100% increase**

Polish fintechs operate across **15 sectors**

Top 3 areas:

- 1 Payments - 76 companies
- 2 Software providers - 58 companies
- 3 Corporate finance management 41 companies

📍 50% of all Polish fintechs are based in **Warsaw** (approx. 190 companies)

Why Warsaw?

🔒 **Safety & Stability:** One of the **safest major cities in Europe**; Political and economic stability attracts international investors

💰 **Cost Efficiency:** Office rental costs significantly lower than in Western European capitals; **Excellent quality-to-price ratio** for workspace and infrastructure

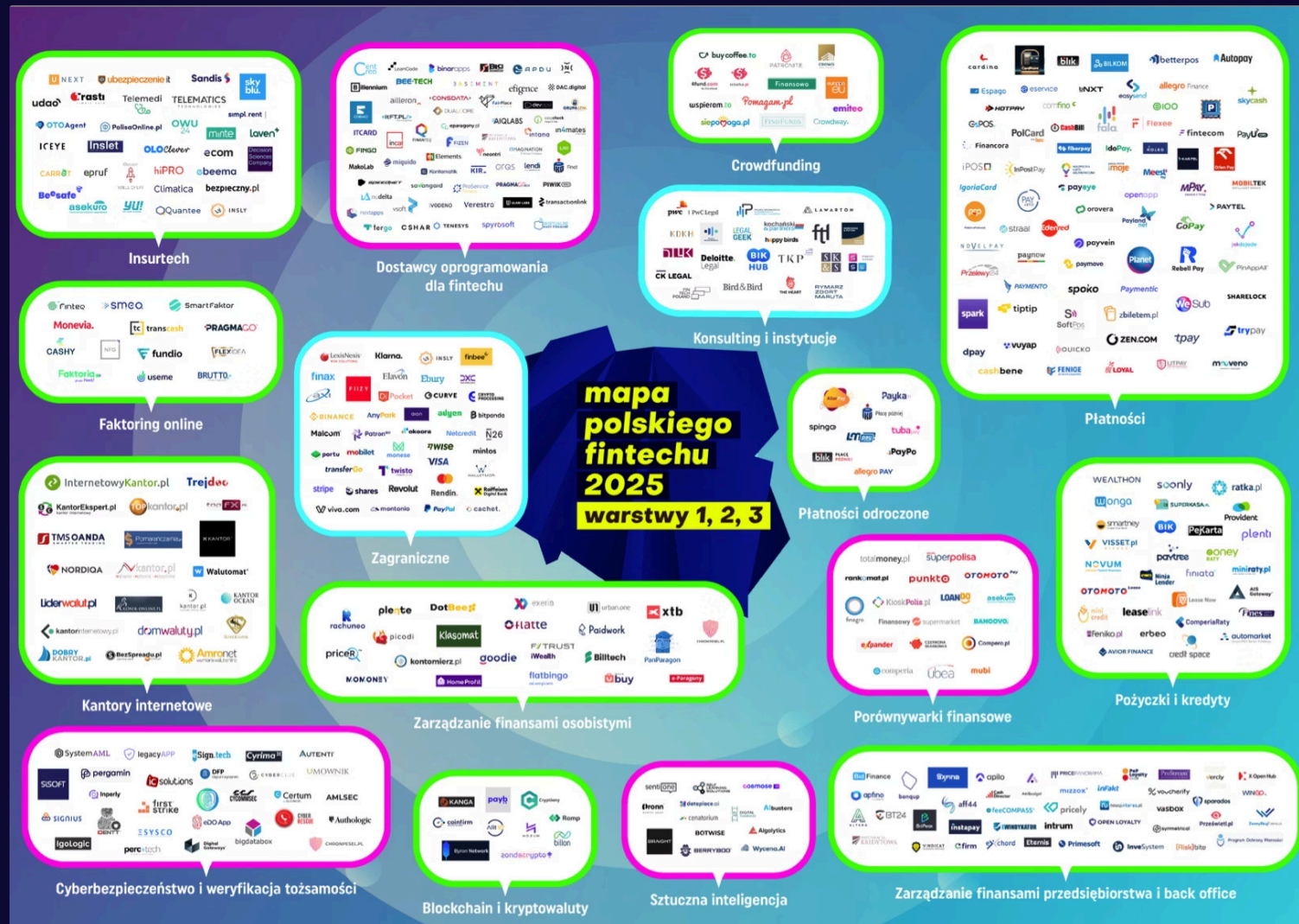
👥 **Tech & Talent Hub:** Home to **30,000+ IT professionals** across **42 software engineering fields**; Strong ecosystem for **tech startups, scale-ups, and R&D**

🌐 **Global Business Environment:** **356 business service centers (BPO, SSC, R&D, IT)**; A major hub for innovation, global operations, and talent development

[Aleksander Machalowski photo]



MAP OF POLISH FINTECH ECOSYSTEM 2025



Digitally Savvy Consumers Drive Payment Innovation

Growth in Cashless Payments

- 2012: Only 36% of Poles used cashless payments
- 2024: Already 72%
→ 2x increase in just over a decade

Card Usage Trends (2024)

- 273 card payments per capita
- Cards = 65% of all payment transactions
- 97.1% of POS terminals support contactless payments

Cashless Poland Programme - government-backed support for promoting the development and adoption of non-cash payments across the country, particularly among small and medium-sized enterprises.

- POS hardware subsidies
- Reduced merchant service fees
- Promoting digital inclusion for small businesses

7 years since launch of the programme








49.5% Share of Cashless Poland Programme terminals in the total number of terminals

📌 Poland's fast digital adoption and strong infrastructure make it a natural ground for fintech growth.

Polish Digital ID – Public-Sector Supports Fintech Growth

✓ 10+ million citizens use the Polish Digital ID (mObywatel) app

Multifunctional Digital Identity Tool - Includes:

-  National ID Card
-  Driver's license
-  Digital student card
-  EU COVID certificate
-  Tax office access
-  Online payments for public services
-  Professional IDs (e.g. Bar Association card)



Legally equivalent to a physical ID

Real-World Example: VeloBank

- Offers fully digital cash loans using Digital ID only
- Up to PLN 6,500
- Up to 3 years
- ✓ No paperwork, no branch visit – 100% online onboarding

Poland's public digital infrastructure enables secure, fast, and fully digital financial services — powering private sector innovation.

Market Entry Options

For EU investors - can operate directly or through Polish entities

- May establish Polish company or acquire a shelf Polish company [partnerships / companies]
- May open a **branch** or a **representative office** (limited to promotion) or **provide services directly from abroad** from another EU Member State in certain cases (eg. CAPSs)



Types of entities

Partnerships - do not have legal personality

Companies - are legal persons, separate from their shareholders, and are individually liable for their obligations

- limited liability company (spółka z ograniczoną odpowiedzialnością) - fewer formalities and external controls than a JSC; less onerous regulations and requirements pertaining to decision-making by the corporate bodies and their operations. As a result, this is the most popular and frequently chosen corporate vehicle in Poland; minimal capital: PLN 5,000
- simple joint-stock company (prosta spółka akcyjna) - designed for start-ups; flexible capital structure
- joint-stock company (spółka akcyjna) - may be raised by public subscription; more suitable for conducting large-scale business operations

Market Entry Options - Comparison

Category	Incorporation of a company	Purchase of a shelf company	Branch
Timing	<p>Approx. 3 to 4 months; however, you may enter into contracts and basically run operations strictly upon incorporation as “a company in organization.”</p> <p>*simple joint-stock company</p>	<p>One month from the beginning of the process to buy a shelfco, then, approx. one month from the acquisition to change the name and amend the Articles according to your needs.</p>	<p>Approx. 2 months from the beginning of the process.</p>
Pros	<p>No share transfer history, it is tailored to your business needs.</p> <p>Low registration fees for a company in Poland [standard procedure (notary required): EUR 130; online via S24 platform: EUR 80] + notary fees depend on the value of share capital or in-kind contributions (capped at EUR 2220)</p>	<p>Acquisition of a shelfco allows you to avoid the prohibition of formation of a corporation by a sole-shareholder LLC.</p> <p>The acquisition process is much shorter than setting up a corporation.</p> <p>A shelfco is already registered with the National Court Register, the tax office and the Central Statistical Office, and has a bank account.</p>	<p>No requirement to make a minimum investment in the branch. However, the “parent company” should ensure that the branch has enough funds to start its business activity in Poland. The value of the “investment” should be established on a case-by-case basis.</p>
Cons	<p>More formal.</p> <p>A corporation cannot be set up only by a sole-shareholder LLC. In this case, a second shareholder of the LLC/JSC must be indicated.</p> <p>The process of incorporation of a corporation is longer than the process of acquiring a shelfco.</p>	<p>A shelfco has a share transfer history and previous name, which will always be visible on the so-called full (i.e., showing all corporate history) excerpt from the register (publicly available).</p> <p>The Articles of a shelfco need to be amended to your needs.</p>	<p>No separate legal personality</p> <p>Activities limited to those of the parent</p> <p>Contracts signed in parent company's name</p>

Establishing Fintechs in Poland



Streamlined Registration

Business registration in just 24 hours with simplified online procedures for startups [simple joint-stock company]

Reporting & Administrative Obligations

Digital-only financial statements - Signed with **QES** or **ePUAP** by all directors

Consider appointing a **Polish director** for smooth compliance



Regulatory Support

Regulated activities: payments services, lending, funds & investments, cloud services, e-commerce, crowdfunding, crypto-assets & digital tokens

Key Authorities:

(1) Polish Financial Supervision Authority (KNF)

KNF's Innovation Hub offers regulatory guidance while the FinTech sandbox enables real-market testing; **free help-desk - oral / written answers within ≈14 days.**

Virtual PS2 Sandbox - live PolishAPI - test AIS / PIS flows before launch.

(2) General Inspector of Financial Information (GIFI)

Anti-Money Laundering (AML) and Counter-Terrorism Financing (CTF) supervision

Receives suspicious transaction reports (STRs)

Works closely with KNF and tax authorities

Tax Incentives

Standard Corporate Income Tax (CIT) rate: 19%

Reduced CIT rate: 9%

- for small taxpayers (with annual revenues up to EUR 2 mln)
- for new entrepreneurs in their first year of activity (provided that the company was not formed through transformation)

Tax Deferral Model (Estonian CIT model) - defers corporate income tax **until profit distribution** (e.g. dividends); simple accounting (based only on financial statements)



Financial Incentives

Poland offers **tax reliefs and support schemes** for investors:

1. **Investment-Based CIT Exemptions related to Special Economic Zones**
2. **R&D Tax Credit**
3. **IP Box (5% tax rate)**
4. Additional Tax Reliefs Supporting Innovation & Automation:
 - Prototype Relief
 - Robotization Relief (2022–2026)
 - Innovative Employees Relief

Investment-Based CIT Exemption

Poland is One SEZ model

Granted on the basis of a **support decision** issued by the Minister of Development.



Amount of support:

- **Up to 70% of investment costs** in selected regions of Poland
- Additional **10%** for **medium-sized enterprises** (up to 250 employees)
- Additional **20%** for **small enterprises** (up to 50 employees)



Duration of support:

- **10, 12 or 15 years**, depending on the investment location



Conditions:

- **Minimum investment thresholds** vary by company size and region
- **Creation of a required number of new jobs**
- **Compliance with sustainable development principles**

R&D Tax Relief

One of Poland's key instruments supporting innovation and technological development.

Double Deduction of Qualified R&D Expenses:

- 100% treated as standard tax-deductible cost
- +100% as an additional deduction from the tax base
→ Total deduction: **200%** of eligible R&D costs

Additional Benefit for Certified R&D Centers:

- Extra **100% deduction**
→ Total deduction: **up to 300%**

Eligible R&D Costs Include:



Salaries and **social security contributions** of employees involved in R&D



Materials and raw materials used directly in R&D



Expert opinions, consulting services, technical expertise



Depreciation of assets used in R&D (excluding buildings and passenger cars)



Costs related to the **protection of industrial property rights** (e.g. patents)



How the R&D Tax Relief Works?



A company spends **PLN 500,000** on R&D activities, including employee salaries, materials, and equipment.

- **PLN 500,000** is treated as a **standard tax-deductible expense**
- An **additional PLN 500,000** is deducted from the tax base under the B+R tax relief
- → **Total deduction: PLN 1,000,000**

If the company has R&D Center status:

- Additional 100% of certain eligible costs
- → **Total deduction could reach PLN 1,500,000**
- This translates into **significant tax savings** (e.g. up to PLN 285,000 at 19% CIT)

IP Box - 5% Tax on Intellectual Property Income

Applies a **5% CIT rate** to income from qualifying intellectual property (IP)

Conditions to Benefit:

- Conduct **R&D activities** leading to the creation or improvement of IP
- Generate income from **qualifying IP rights**
- Keep **separate accounting records** for qualifying income and related costs
- IP must be **subject to taxation in Poland**

Qualifying IP Rights Include:

- **Patents**
- **Utility models and industrial designs**
- **Computer software copyrights**
- **Registered medicinal or veterinary products**

Combined with R&D Relief - companies can:

1. **Deduct R&D costs** (up to 200–300%)
2. Apply **5% tax rate** on resulting IP income
→ **Maximum tax efficiency for innovative businesses**



Additional Tax Reliefs Supporting Innovation & Automation

Prototype Relief (since 2022)

- Deduction: **30%** of eligible costs related to trial production and market launch
- Cap: **10% of annual business income**
- Eligible costs include:
 - Materials for prototype production
 - New fixed assets used in trial production
 - Testing and pre-production services
 - Administrative costs of market introduction

Robotization Relief (2022–2026)

- Deduction: **50% additional deduction**
→ total **150% of costs**
- Applies to:
 - Purchase of **new industrial robots**
 - Related machines, software, and training
 - Servicing and modernization costs

Innovative Employees Relief

- Use unclaimed **R&D relief** to reduce **payroll tax advances**
- Conditions:
 - Employee spends **≥50% of time on R&D**
 - Applies to both employment and civil contracts
 - Excludes protected job positions



Poland's Investor-Friendly Environment

- **Direct government grants** (up to 25% of investment costs)
- **Tax incentives**
- **Bank guarantees** up to 80% of financing (by Polish Development Bank and Export Credit Insurance Corporation)
- **Venture capital support** via PFR Ventures
- **Sectoral programs** (tech, exports, green economy)

Positioning on the Global Stage

FACTS:



Poland is the largest fintech market in Central and Eastern Europe



In 2024, Polish VC investments hit PLN 2.1 billion across 148 deals



The ecosystem is attracting both strategic and financial investors

Conclusion: More than Just Potential

Poland is no longer catching up.

It's leading – in innovation, in digital payments, and in fintech growth.



Warsaw Finance Week 2025

 **When?** **3–5 November 2025**

 **Where?** **CIC Varso Place, Warsaw**



 Fintech Poland



Warsaw Finance Week 2025 – Fintech Poland

 Save the Date! Warsaw Finance Week 2025  Mark your calendars!

Warsaw Finance Week will take place from November 3–5, 2025, with the...

Thank You!

Happy to answer your questions.

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