



ATLAS
BY BNP PARIBAS

CASH MANAGEMENT

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BNP PARIBAS

The bank
for a changing
world

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Poland has a population of 36,6 million people with GDP of €751bn in 2023. The country belongs to the high-income category of countries. It has been a NATO member since 1999 and an EU member since 2004, but remains outside the Eurozone.

Poland is the largest country in Central and Eastern Europe and the 6th largest in Europe. The Polish economy has been developing at a steady pace for over 25 years.

The Polish Economic Institute, in its report, summarised 20 years of membership of eight Central European countries in the EU. The GDP per capita of this group is currently 27% higher than if they remained outside the EU structures. But Poland is the leader in growth of GDP per capita in Central and Eastern Europe: it has grown by as much as 40 percent.

At the end of 2023, Poland was richer than nine EU countries - it was 18th in the community in terms of wealth. Economists indicate that the degree of convergence in terms of private consumption in Poland is higher than the degree of convergence in terms of GDP due to the structure of the Polish economic growth, which in recent decades has been mainly based on consumption. Actual private consumption per capita calculated according to purchasing power parity has now increased in Poland to 82.7% of the EU average, from 56.4% in 2004.

The Polish economy has weathered global and regional external shocks thanks to a well-diversified economic structure, integration into regional value chains, a commitment to macro-economic stability, a sound financial sector, and domestic labour markets that have supported significant wage growth and private consumption, feeding into long-term poverty reduction and median income growth. The country recovered well from the global COVID-19-induced crisis and grew at a strong pace in 2022 (+5.1%). However, the energy crisis resulting from the invasion of Ukraine has led to a sharp increase in inflation which amounted 14,4% in 2022 and 11,9% in 2023. According to the National Bank of Poland, that should decelerate to the range 3,1-4,1% in 2024.

The Polish economic model focuses on boosting productivity through stimulating innovation, decarbonising the energy sector, tackling rising inequality, and reskilling and upgrading the labor force in a context of an aging population.

The largest component of Poland's economy is the service sector (63,1%), followed by industry (29,8%) and agriculture (7,1%).

Summary

BNP Paribas presence

BNP Paribas offers a comprehensive global offer combined with a complete domestic local offer to its clients in Poland. BNP Paribas Poland is ranked as the sixth largest bank in Poland, holding a leading position in the agri-food segment and in the sector of large companies and international corporations. The quality of BNP Paribas Poland activities has been confirmed by two Euromoney awards that were won in 2023 for: The Best Bank in Poland for Corporates and The Best Bank in Poland for ESG. BNP Paribas Poland has over 400 retail branches and over 100 branches dedicated to corporate clients. The most demanding and important clients are covered by 29 Business Centres across the country employing almost 135 Relationship Managers (of which 55 are dedicated to multinational

clients). The mission of the bank is to responsibly deliver innovative financial solutions which enable the customers to change their world and which support the local economy. The bank's shares are listed on the Main Market of the Warsaw Stock Exchange. In Poland, the BNP Paribas Group operates in many areas of financial services, such as: banking, investment funds, custody services, factoring, leasing, insurance, real estate and car fleet management (by Arval).

Currency

Currency

- Polish zloty (PLN).

Exchange rates

	2019	2020	2021	2022	2023
Exchange rate:	3.839	3.90	3.86	4.46	4.20
PLN per USD					

Source: IMF, International Financial Statistics, August 2024.

Central Bank

- The Polish central bank is the Narodowy Bank Polski: (NBP – www.nbp.pl).
- The NBP is a member of the European System of Central Banks (ESCB).

Bank supervision

- Polish banks are supervised by the Polish Financial Supervision Authority (Komisja Nadzoru Finansowego – www.knf.gov.pl).

Bank accounts

Resident / non-resident status

- A company is generally considered resident in Poland if it has a registered office located in Poland.

Bank accounts for resident entities

	Within POLAND	Outside POLAND
Local Currency	Permitted, not convertible	Permitted with restrictions
Foreign Currency	Permitted without restriction, fully convertible	Permitted with restrictions

Bank accounts for non-resident entities

	Within POLAND	Outside POLAND
Local Currency	Permitted without restriction, fully convertible	Permitted without restriction, fully convertible
Foreign Currency	Permitted without restriction, fully convertible	Not applicable

Lifting fees

- Item-based charges are applied on payments between resident and non-resident bank accounts.

Factoring

Legal framework

- Factoring contracts are so called “undefined agreements”. It means they are not defined or regulated by the Polish law. Different provisions of law apply to the factoring services while the very core is based on regulations regarding assignment of receivables regulated in the Polish Civil Code (art. 509).
- Entrepreneurs are entitled to enter into factoring agreements based on the “freedom to contract” expressed in Polish Civil Code (art. 351 §1).
- There may exist a contractual limitation for transferability of certain receivables – in such case, prior consent of the debtor is required so that the assignment can be effective.
- Factoring services are not subject to any financial supervisory authority (subsidiaries only).

Product specifics

• DISCLOSED / UNDISCLOSED

Disclosed programmes represent more than 90% of the total portfolio, both for BNP Paribas Factoring and the wider market. Undisclosed programmes are only offered to highly rated companies.

• RECOURSE / NON-RECOURSE

Both recourse and non-recourse programmes are offered.

• STRUCTURED PRODUCTS

Reverse factoring is present in the offering but dedicated to well-rated companies only. BNP Paribas Factoring is able to provide very granulated solutions with more than 500 suppliers in one contract. Progressive Line, a modern form combining advantages of financing receivables and client liabilities payments, allows flexible management of client's funds: both invoice financing and purchase payments. Factoring limit depends on the level of customer receivables and the entire transaction processing is in e-Trade system.

• VAT “SPLIT PAYMENT MECHANISM”

The Polish VAT regulation “split payment” is based on the fact that the payment made by the buyer to the seller for the purchased services or goods is done in two amounts, separately on two accounts of the seller, i.e.:

- the amount of net receivables – to any account specified by the seller,
- tax amount – to a dedicated account intended for the purposes of tax settlement (VAT account), while access to funds accumulated on this account will be limited.

The “split payment” mechanism only applies to settlements in PLN and between VAT taxpayers and gives the debtor freedom to make payments as split ones or not (apart from specified industries in which split payment is mandatory).

The freedom to dispose of funds accumulated on the VAT account is very limited. By assumption, a taxpayer who has certain resources there will use them to pay his tax liability for VAT. In the case that his tax liability is lower than the amount accumulated on the VAT account, he will be able to apply to the head of the tax office for a refund of the whole or a part of this amount to a regular account with the bank.

The mechanism is obligatory for selected categories of supplies of goods and services. The mandatory split payment covers payments resulting from invoices for selected goods and services (mentioned in Appendix no. 15 to the VAT Law) exceeding the threshold of PLN 15,000 gross (or equivalent of this amount).

- **EXPORT / IMPORT**

Export is mostly managed directly. Active as import factor within FCI whilst export via FCI is considered as an option but applied in very specific cases due to high costs compared to insurance fees.

- **CONCENTRATION REQUIREMENTS**

For high rated debtors, concentration can be increased to up to 100%, while in general it fluctuates between 40%-60%.

- **MAX. PREPAYMENT %**

Funding of receivables 85%-90%, exceptionally up to 100% for some non-recourse contracts.

- **CREDIT COVER %**

Usually 95%, but for well-rated companies 100% is offered.

- **USUAL FUNDING PERIOD**

Generally 60-90 days, up to 180. For Agri companies up to 270 days.

- **OFF-BALANCE SHEET SOLUTIONS**

Available.

- **ON-LINE APPLICATIONS**

Available (e-Trade).

- **DELAYED DUNNING**

Rare.

- **DATA FACTORING**

Data-factoring solution (“Shadow Ledger”) is offered.

- **CURRENCIES OF FINANCE**

PLN, EUR, USD, GBP, SEK, NOK.

BNP Paribas Cash Management Capabilities

Collections

Cash collections	✓
Cheque collections	✓
Direct debit collections	✓
Domestic incoming transfers	✓
Virtual IBAN	✓
Virtual accounts	●
International incoming transfers	✓
Card acquiring	✓

Payments

Cash withdrawals	✓
Cheque payments	●
Direct debit payments	✓
Domestic outgoing transfers	✓
Commercial cards	●
Virtual cards	✓
International outgoing transfers	✓
SWIFT gpi	✓
Real-time international payments through BNP Paribas' network	●
Card issuing	✓

Channels

Local e-Banking	✓
Global e-Banking - Connexis	✓
SWIFT/ host to host	✓

Payments & collections

Market overview

Electronic credit transfers are widely used by companies to make supplier, payroll and tax payments. Government policy in Poland is very much aimed at promoting electronic payments; the government-sponsored Cashless Poland Program, which subsidises costs of POS hardware and merchant service charges for new merchants, has increased the number of POS terminals to over 1,3 million in 2022. Cashless transactions represented over 57% of the total volume of payments in 2023. BLIK, a mobile payments platform, processed almost 1.8 billion transactions in 2023, with value of USD 63.3 billion. It has over seven million active users.

Electronic banking services are available from all banks. There is no national electronic banking standard in Poland; most banks use MultiCash. Multinational companies also use the SWIFT for Corporates messaging standards. Transaction and balance reporting, automated end-of-day sweeping, and some transaction initiation services are available on a domestic and cross-border basis.

A number of different electronic bill presentment and payment services are available. The Paybynet service is a 24/7 online payment application provided by KIR, allowing for secure retail purchases and bill payments over the internet from bank accounts via credit transfer. The Polish Bank Association and KIR offer Electronic Bill Presentment and Payment (EBPP) services in Poland via Qlips.

Payment Systems

TARGET 2 NBP	TYPE	<ul style="list-style-type: none">• Real time gross settlement.• Poland's national component of the pan-European TARGET2 system.
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	PARTICIPANTS	<ul style="list-style-type: none"> • 19 direct.
	TRANSACTION TYPES PROCESSED	<ul style="list-style-type: none"> • High-value and urgent EUR-denominated domestic and cross-border transfers. • Net obligations from Euro-ELIXIR.
	OPERATING HOURS	<ul style="list-style-type: none"> • 0700 -1800 (CET) Monday-Friday.
	CLEARING CYCLE DETAILS (eg cut-off times)	<ul style="list-style-type: none"> • Payments cleared and settled in real time. • Interbank payments cut-off time: 1800 CET.
	SYSTEM HOLIDAYS	<ul style="list-style-type: none"> • Target 2 is closed at weekends and on Jan 1, Good Friday, Easter Monday, Labour Day (May 1) and Dec 25 and 26.
SORBNET2	TYPE	<ul style="list-style-type: none"> • Real time gross settlement.
	PARTICIPANTS	<ul style="list-style-type: none"> • 50 direct.
	TRANSACTION TYPES PROCESSED	<ul style="list-style-type: none"> • High value and urgent domestic PLN-denominated credit transfers. • Net obligations from ELIXIR.
	OPERATING HOURS	<ul style="list-style-type: none"> • 07:30–18:00 CET, Monday to Friday.
	CLEARING CYCLE DETAILS (eg cut-off times)	<ul style="list-style-type: none"> • Payments cleared and settled in real time. • Customer payment cut-off time = 16:00 CET. • Interbank payment cut-off time = 18:00 CET.
	SYSTEM HOLIDAYS	<ul style="list-style-type: none"> • SORBNET2 is closed at weekends and on all Polish bank holidays. • Poland's bank holidays are: • public holidays: 1, 6 January; 1, 3 May; 15 August; 1, 11 November; 25, 26 December; • moveable holidays: Easter, Corpus Christi.
ELIXIR	TYPE	<ul style="list-style-type: none"> • Multilateral net settlement system.
	PARTICIPANTS	<ul style="list-style-type: none"> • 37 direct, 563 indirect. • 19 direct, 551 indirect in Euro-ELIXIR. • 27 in Express ELIXIR.

	TRANSACTION TYPES PROCESSED	<ul style="list-style-type: none"> • Low-value (up to PLN 1 million) and non-urgent domestic and cross-border credit debit payments. • Paper-based payments (cheques) which must be truncated into electronic items before processing. • Domestic and cross-border transfers in EUR are cleared through the Euro-ELIXIR subsystem.
	OPERATING HOURS	<ul style="list-style-type: none"> • 24 hours Monday to Friday.
	CLEARING CYCLE DETAILS (eg cut-off times)	<ul style="list-style-type: none"> • Payments are processed with same-day or next-day value. For PLN-denominated payments, there are three daily clearing sessions (09:30–10:30, 13:30–14:30 and 16:00–17:00 CET) and three settlement sessions (10:30–11:00, 14:30–15:00 and 17:00–17:30 CET). For EUR-denominated payments, there are four daily clearing sessions (08:30–09:30, 12:00–12:30, 15:30–16:10, and 16:45–17:15 CET) and four settlement sessions (09:30–10:03, 12:30–13:30, 16:10–16:45, and 17:15–17:45 CET) per day. • Express ELIXIR payments (with a maximum value of PLN 100,000) are cleared and settled in real time, 24 hours a day. • PLN payment cut-off time = 15:00 CET. • EUR payment cut-off time = 15:30 CET.
	SYSTEM HOLIDAYS	<ul style="list-style-type: none"> • ELIXIR is closed at weekends and on all Polish bank holidays. • Poland's bank holidays are: • public holidays: 1, 6 January; 1, 3 May; 15 August; 1, 11 November; 25, 26 December; • moveable holidays: Easter, Corpus Christi.

Credit transfers

- Credit transfers are used by companies to pay salaries and suppliers, and to make tax and treasury payments.
- High-value electronic and paper-based credit transfers with a value greater than PLN 1 million are cleared via SORBNET on a same-day basis.
- High-value and urgent domestic and cross-border (within the euro zone) credit transfers can be settled in real time via TARGET2-NBP or by the Euro Banking Association's EURO1 system in which ING Bank Śląski participates.
- High-value, cross-border credit transfers in domestic and other currencies can be processed via SWIFT, correspondent banking and bank branch networks.
- Low-value credit transfers (with a value equal to or below PLN 1 million) are processed via ELIXIR. Settlement is on a same-day or next-day basis. Paper-based credit transfers are truncated into

electronic items and settled within two working days.

- PLN-denominated instant payments can be processed through Express ELIXIR. The maximum value threshold is PLN 100,000 for standard payments and 250,000 for tax/fiscal payments.
- Low-value and non-urgent cross-border (within the euro zone) EUR-denominated credit transfers can be settled via Euro-ELIXIR.
- SEPA credit transfers can be settled via STEP2 (through the Euro-ELIXIR system).
- Participants in SEPA clearing can also clear payments bilaterally with participants in the SEPA-compatible Netherlands's equensWorldline CSS clearing system.
- Approximately 24 banks in Poland participate in the SEPA credit transfer scheme.
- The European Payment Council's SCT Inst scheme (a pan-European 24/7 instant payment scheme for SEPA credit transfers) enables the transfer of funds (the maximum threshold value is EUR 100,000) to another account in less than ten seconds. There is one participant.
- EBA Clearing and Italy's SIA Group have developed and implemented a pan-European platform for instant EUR payments called RT1. It is fully compliant with the SCT Insts scheme and is in line with the ISO 20022 global messaging standards for instant payments.
- EBA Clearing has launched a pan-European request to pay (R2P) infrastructure solution with the support of 27 payment service providers from 11 countries. The new 24/7 service is compatible with the SCT and SCT Inst schemes and allows payees to take the initiative to request a specific payment from the payer.
- A new pan-European service for the settlement of instant payments in central bank money, TIPS, was launched on November 30, 2018. The service enables payment service providers and ACHs with access to TARGET2 to offer fund transfers 24/7, 365 days a year. TIPS is aligned with SCT Insts. It is primarily focused on EUR payments but is technically capable of settling payments denominated in other currencies.

Direct debits

- Direct debits are used for regular payments, such as utility bills, but they are not commonplace. The debtor has the right to withdraw consent to making payments by direct debit at any time. A single direct debit may be canceled by a natural person within 56 calendar days from the date of debiting the bank account (B2C). However, other debtors (B2B) can perform such an operation within 5 days.
- Revocable direct debits are available for values up to EUR 1,000 for regular payments and up to EUR 50,000 for payments between companies. The debtor has the right to withdraw consent to making payments by direct debit at any time. A single direct debit may be canceled by a natural person within 56 calendar days from the date of debiting the bank account (B2C). However, other debtors (B2B) can perform such an operation within 5 days.
- Non-revocable direct debits (*Gospodarcze Obci?enie Bezpo?rednie* – GOBI) are available for values above EUR 50,000 for company transactions.
- Direct debits are settled via ELIXIR. KIR, the Polish clearing house.

Cheques

- Cheques are rarely used in Poland.

Card payments

- Card payments, particularly debit cards, are increasingly popular, especially for retail transactions.
- In first quarter of 2024 there were ca. 2,5 billion card transactions, with a value of PLN 298,2 billion.
- At the end of March 2024 there were 45,1 million cards in circulation, of which more than 85% were debit cards.
- Visa and MasterCard-branded cards are the most widely issued.
- First Data Polcard is Poland's national payment card operator.
- Card payments are settled through the KSR (operated by First Data Polcard) processing centre, Visa's PNNSS processing centre or through MasterCard's EDCSS processing centre. Final settlement takes place via SORBNET or TARGET2.
- Inkart is a local card payment clearing system.
- All cards issued are SEPA-compliant with EMV chips.

ATM/POS

- There were 20,869 ATMs in Poland at the end of first quarter of 2024.
- There were over 1.3 million POS terminals in Poland at the end of March 2024.
- First Data Polcard operates the national ATM network.
- The Bankomat 24/Euronet ATM network accepts both domestic and international cards.

Electronic wallet

- Pre-paid cards are available in Poland but not widely used.
- There were almost 1.7 mln pre-paid cards in circulation at the end of March 2024.
- BLIK is a mobile payments service which enables customers to make payments in stores and online, withdraw cash from ATMs and send P2P transfers with their mobile phones. BLIK is used by 19 banks and has almost 16 million registered customers.
- Other mobile payment schemes such as Apple Pay and Google Pay are available.

Short term investments

Market overview

Interest payable on credit balances

Interest-bearing current accounts are permitted for residents and non-residents.

Demand deposits

Demand deposits are available for residents and non-residents.

Time deposits

Time deposits are available in PLN or major foreign currencies with terms of one week, one, three or six months and one, two or three years.

Time deposits with maturities of three months or less typically pay a fixed rate of interest.

Certificates of deposit

Banks issue certificates of deposit for terms of one to 12 months. It is not permitted to resell these.

Treasury (government) bills

The NBP regularly auctions Treasury bills (T-bills) on behalf of the Ministry of Finance for terms of 20–52 weeks. The NBP sometimes issues T-bills with shorter maturities.

The minimum investment is PLN 100,000.

NBP bills are also sold weekly via auction, with terms of one to seven days.

Commercial paper

Domestic [commercial paper](#) is issued by companies and public authorities. Terms typically range from one to three months, although terms of one week to one year are permitted.

Money market funds

Money market funds are available.

Repurchase agreements (repos)

Repurchase agreements (repos) on T-bills are available in Poland but are not typically used.

Banker's acceptances

Banker's acceptances are seldom used in Poland.

BNP Paribas Trade Finance Capabilities

Trade payments

Documentary credits	✓
Documentary collections	✓


Guarantees

Bank guarantees	✓
Standby letters of credit	✓

Supply chain management

Receivables	✓
Payables	✓
Inventory	●

Trade channels

Connexis Trade	
Connexis Supply Chain	
SWIFTNet Trade for Corporates	
Connexis Connect	
Connexis Guarantee	
SWIFTnet Supply Chain	

- BNP Paribas' Global Trade Solutions (GTS) Sales team in Poland comprises 9 people dedicated to trade finance. The bank takes 1. position in the number of guarantees issued in Poland. The GTS team provides corporates with a high level of both front and back office support, with a full range of traditional trade finance products as well as e-solutions, and continuously works on expanding the GTS offer in line with evolving market conditions. The GTS Business Desk offers dedicated support for corporates in the issuing of guarantees and letters of credit.

International trade

General trade rules

- As a member of the EU, Poland follows the EU customs code and applies all associated regulations and commercial policies.
- Trade with other countries in the European Economic Area (EEA) and Switzerland is exempt from tariffs and other controls.

Trade agreements

- The EU has trade agreements in place with over 30 countries.
- The EU is currently in free trade negotiations with a number of countries, including the Association of Southeast Asian Nations (ASEAN), Australia, Indonesia, Mercosur (the Southern Common Market), Uruguay, and the USA.
- The EU-UK Trade and Cooperation Agreement came into force on 1 May 2021.

Imports / exports

Imports	Cars and vehicle parts	Crude petroleum	Packaged medicines	Broadcasting equipment	Office machinery
Primary Import sources	Germany (25.0%)	China (10.0%)	Italy (5.0%)	Netherlands (5.0%)	
Exports	Cars and vehicle parts	Seats	Furniture	Computers	Video displays
Export markets	Germany (27.0%)	Czech Republic (6.0%)	UK (6.0%)	France (6.0%)	Italy (5.0%)

Import / export volumes

		2016	2017	2018	2019	2020
Exports	- goods USD m	196,340	228,046	256,010	260,778	266,344
	- services USD m	49,713	58,739	69,292	69,903	67,199
Imports	- goods USD m	193,077	226,507	261,649	259,439	252,082
	- services USD m	34,255	38,434	43,708	43,434	40,362
Current account as % GDP		- 0.5	- 0.4	- 1.4	+ 0.6	+ 4.2

Sources: IMF, International Financial Statistics, July 2021.



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