

Country fact sheet – Poland

Official name	The Republic of Poland	
Geographical location	Central Europe (52 00 N, 20 00 E)	
Area	312,685 km ²	
Population	38.5 million	
Capital	Warsaw	
Principal cities	Łódź, Kraków, Wrocław, Poznań	
Neighbouring countries	Belarus, Czech Republic, Germany, Lithuania, Russia, Slovakia, Ukraine	
Ethnic groups	Polish, German, Belarusian, Ukrainian	
Climate	Moderate climate with both maritime and continental elements. Other than the four typical seasons, there are two periods, namely przedwiosnie (early spring) and przedzimie (early winter). Average temperature is above 20°C, from May until early September (summer), and below 0°C, from November and March (winter).	
Official language	Polish	
Major religions	Catholic, Eastern Orthodox and Protestant	
Time zone	GMT +1 (behind Hong Kong by 7 hours) GMT +2 (behind Hong Kong by 6 hours in summer)	
International dialing code	+48	
Currency	Polish złoty (PLN); US\$1= app. PLN 3.71 (30 Jan 2015)	
Visa requirement	Visa-free access for HKSAR passport holders	
Business hours	Private and government offices	8:15 am to 4:15 pm, Monday to Friday
	Banks	9:00 am to 5:00 or 6:00 pm, Monday to Friday
	Shops	10:00 or 11:00 am to 6:00 or 7:00 pm, Monday to Saturday 10:00 or 11:00 am to 1:00 or 4:00 pm, Sunday

1. An overview of the Polish economy

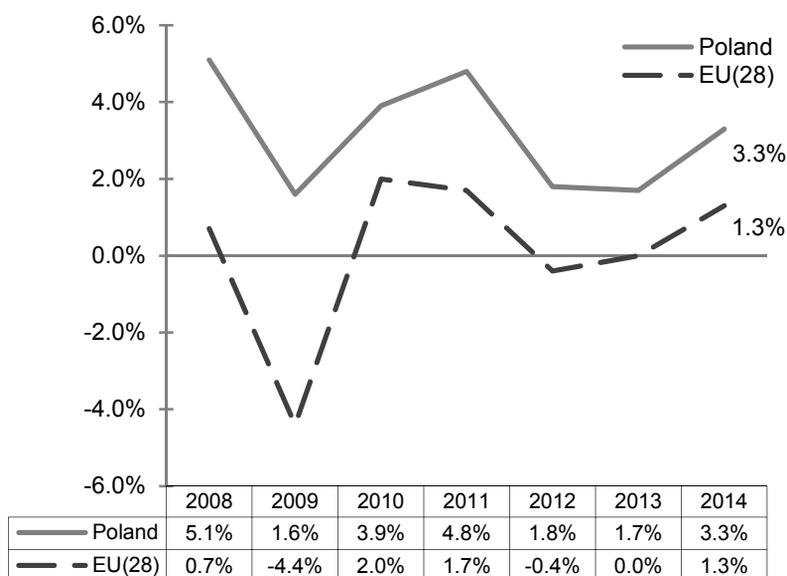
Major macroeconomic indicators

	2011	2012	2013	2014*
Population (millions of inhabitants)	38.5	38.5	38.5	38.5
Gross domestic product (US\$ billion)	516	491	518	546
Real GDP growth (%)	4.8	1.8	1.7	3.3
Consumer prices (year-on-year % change)	4.3	3.7	0.8	0.1
Exports of goods (US\$ billion)	190	185	206	210
Imports of goods (US\$ billion)	212	199	209	210
Average exchange rate (Polish zloty per US dollar)	3.0	3.3	3.2	3.2

* estimates

Poland, with 38.5 million inhabitants, is by far the most populous Central and Eastern Europe (CEE) country in the European Union. Thanks to the integration of Poland into the EU, the four freedoms of movement of labour, capital, goods and services within the Single European Market have not only provided plenty of job opportunities for Polish workers, but also raised their purchasing power and, in turn, living standards since 2004. This rising purchasing power, a result of the strong economic growth after its EU accession, has boosted not only the expansion of consumer markets and, therefore, appetite for imported consumer goods and services that are not locally available in the country, but also facilitated the upgrading and consolidation of its retail sector.

Real GDP growth in Poland and the EU

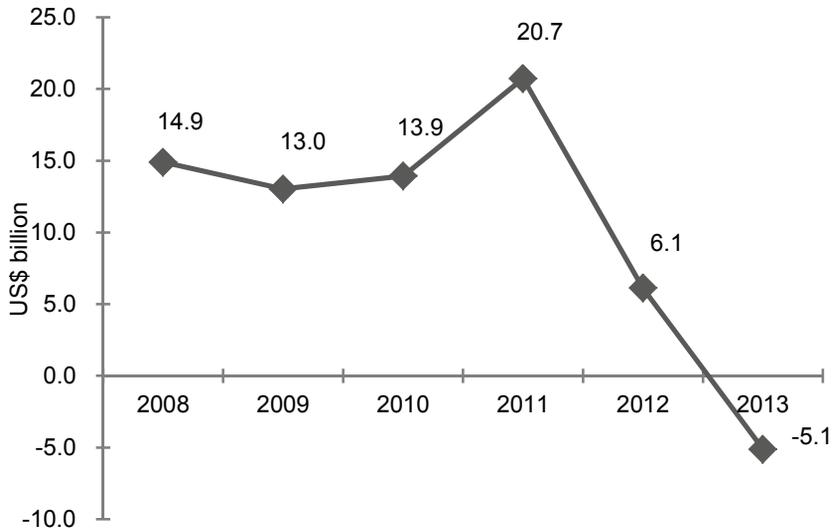


Source: Central Statistical Office (GUS), Eurostat

Being the biggest of the CEE countries that are members of the EU, Poland offers not only a promising domestic market over the medium to long term, but also a gateway to Western Europe and other huge consumer markets such as Ukraine and Russia. Coupled with the country's status as a distribution centre in the CEE, demand from Poland for a wide assortment of consumer products has been rising. This bodes well for exporters interested not only in the domestic Polish market, but also the CEE region as a whole. Of most interest to exporters, its adoption of the EU's common trade policy and measures has translated into a relaxation of import barriers.

While escaping a recession in the past few years, Poland is apparently not immune to the economic and sovereign debt crisis lingering across Europe. Falling demand from its main trading partners, especially Germany, the UK, Czech Republic, France, Russia and Italy, has weighed on Poland's exports, and a contraction of foreign capital inflows has also taken its toll on the Polish economy.

Foreign direct investment (FDI) inflows in Poland



Source: *The Polish Information and Foreign Investment Agency (PAIIZ), National Bank of Poland*

Yet as Poland has one of the best fiscal and financial conditions among the new EU member states, it maintains a much more stable market environment against the backdrop of the rest of the region. On the back of a lower level of external debt and a better credit rating than its neighbours, Poland may count on external financial support, if needed, to successfully tackle crisis-connected budget strains. With a large domestic market and relatively low export reliance, Poland is forecast to outperform its weaker counterparts in the region as well as most developed economies from a medium- to long-term perspective.

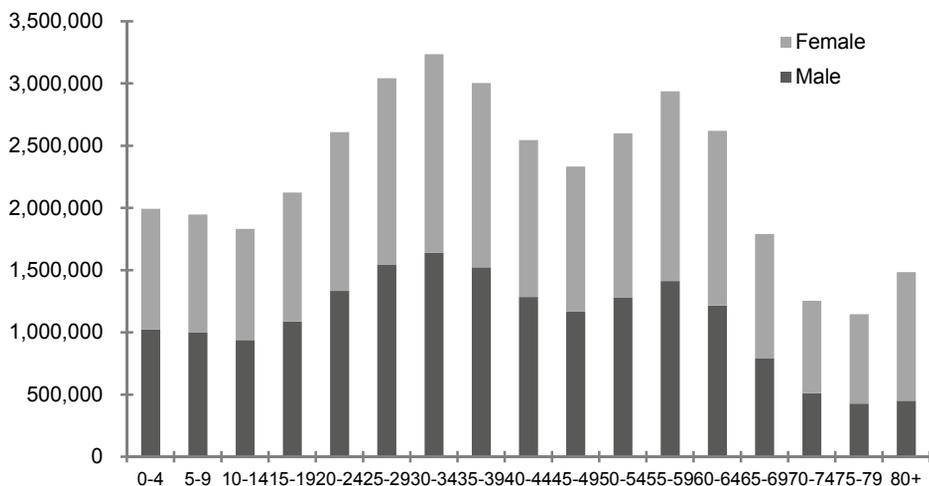
2. The Polish consumer profile

Poland is a young country in terms of its age distribution, with almost two-thirds of the population below 50 years of age. Poles aged 20-55, who are the major income earners, account for more than half of the population. Being the major purchasers in the Polish consumer market, these income earners, especially professionals, managers, office staff and younger workers, working either domestically or abroad, are relatively more willing to spend.

In terms of the young population, income earners aged 20-29 and youths aged 15-19 constitute more than 20% of the population. The relatively high percentage share of youngsters in the Polish population has resulted in a strong demand for related items like fashion and consumer electronics.

As Poles generally have strong family values, they are willing to spend more on their children. Despite the low birth rates in Poland in recent years, the relatively high proportion of children in the population (children aged 14 or below account for 15% of the total population in Poland) reveals that the demand for consumer goods like toys and games is robust in the country.

Poland's population distribution, 2013

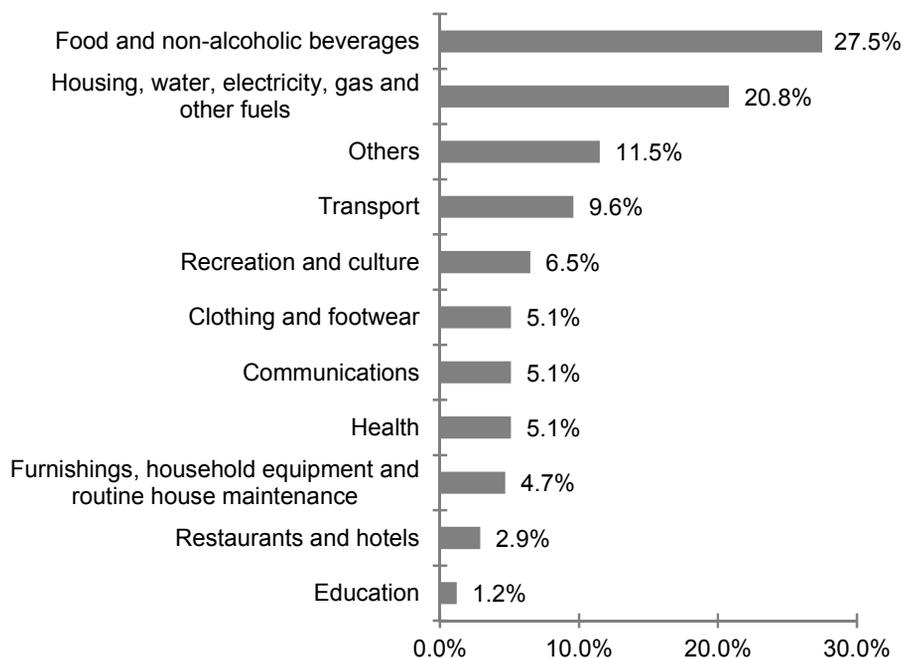


Source: GUS

Another feature of the Polish market is the relatively higher proportion of females in the total population (52%). While the demand for female items may be stronger in the country, it is noteworthy that buying decisions not only for daily groceries but also most household and consumer goods, are usually made by females.

With regard to spending patterns, the major expenditure of Poles includes food, beverages and tobacco, housing and utilities, as well as transport. Together this accounts for nearly 60% of Poles' monthly expenditure. For the remainder, the major expenditure items include recreation and culture, accounting for 6.5% of the total, followed by clothing and footwear, communications and health.

Structure of household consumption expenditure, 2013



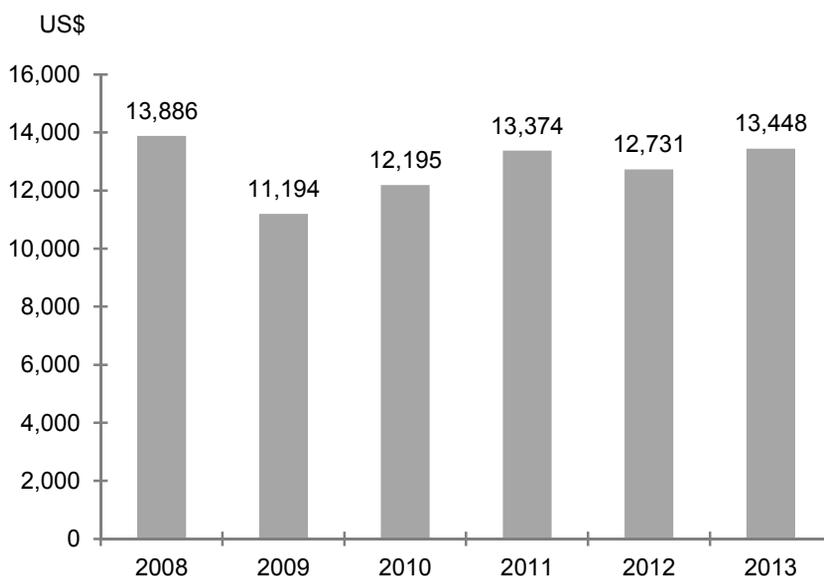
Source: GUS

Polish consumers are becoming more conscious about quality in addition to price. Indeed, many families have already owned different durable items, and

individuals have largely bought clothing, personal goods and other consumer items for daily use. For example, most Polish households have refrigerators, vacuum cleaners and TV sets. With rising living standards and the continued influx of foreign products and brands, consumers are more willing and able to afford better quality items to replace the inferior products brought in the old days.

A reputable brand also enjoys a premium in the market. Indeed, Western and famous multinational brands and fashion items have been much sought after. But it should be noted that along with the increases in imports in the past decade, Polish consumers now have a wider range of choice of goods. They are better equipped with product knowledge and fashion sense, and have started to ask for value for money. Merely “imported goods” without attractive features, designs and quality are no longer marketable.

Per-capita income in Poland



Source: GUS

Average retail prices of selected consumer goods in Poland*

Specification	Price (in PLN)
Men's suit, polyester staple fibres and wool – per set	473
Men's shirt, polyester staple fibres and cotton, long sleeve – per set	94
Men's trousers	131
Women's costume, fabrics and wool – per piece	411
Leather shoes with non-leather sole – per pair	
Men's – low shoes	183
Women's – low shoes	175
Fridge-freezer, capacity about 300 l – per piece	1,055
Automatic washing machine, dry-linen capacity not exceeding 5kg – per piece	1,086
Microwave oven, capacity 16-20 l – per piece	310
Electric vacuum cleaner – per piece	345
Electric iron – per piece	191
Mountain bicycle – per piece	1,055
Plasma TV set, 42 inches – per piece	2,106
MP3 player with radio, capacity 16 GB	461

* Average in December 2013

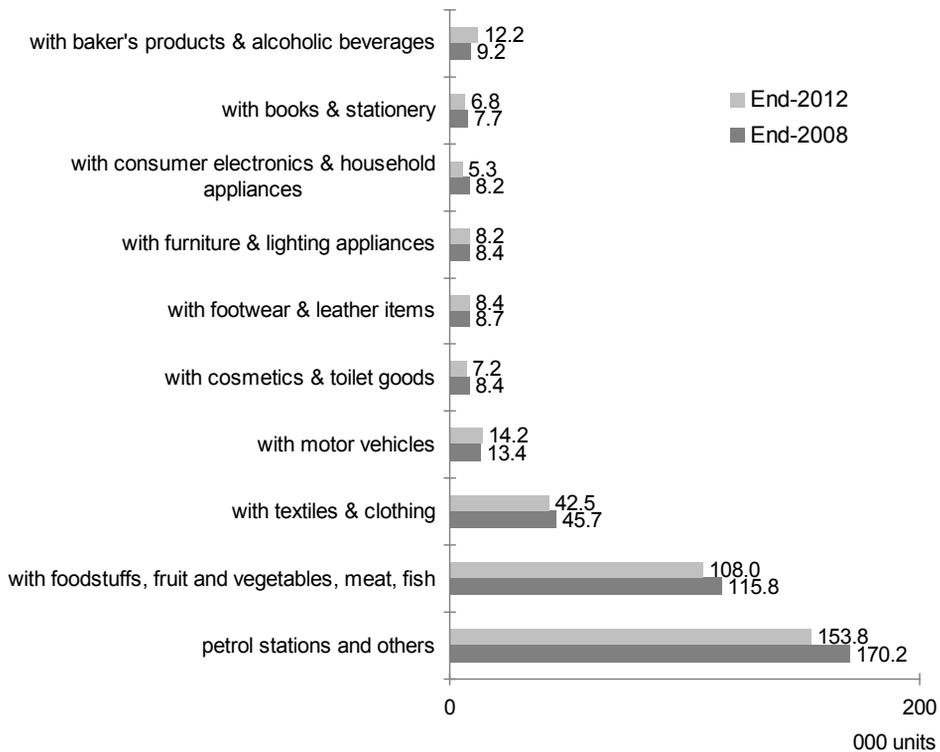
Source: GUS

3. Distribution and import channels

Continued retail consolidation

Poland's retail sector has been growing steadily in recent years, while the total number of shops further reduced to 366,770 in 2012 from 385,700 in 2008 and 449,000 by end-2002, due mainly to the rise of hypermarket and supermarket groups, which currently sell both food and non-food items, including a wide range of consumer goods of reasonable quality and at competitive prices. Other retail outlets selling similar items are thus subject to intensified competition, resulting in the fall in the number of such retail shops.

Number of retail shops in Poland



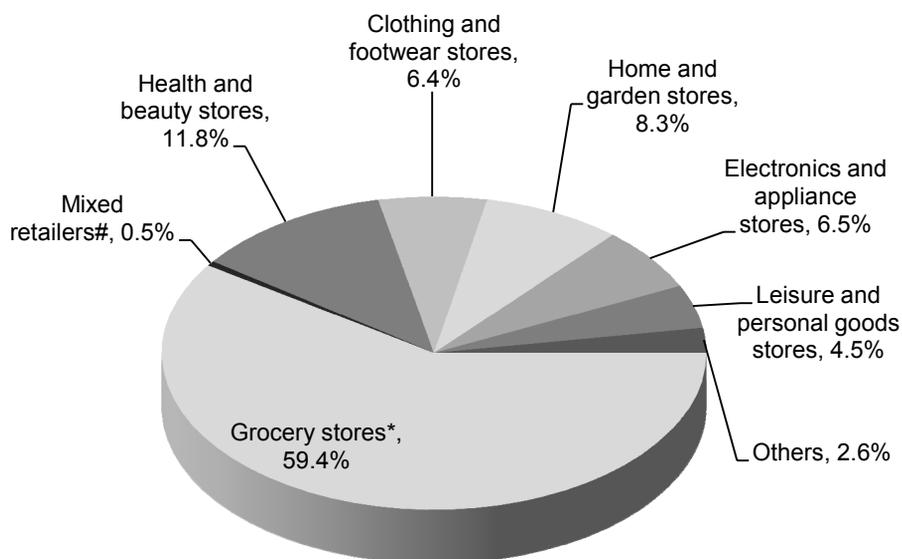
Source: GUS

Increased organisation

Thanks to their competitive prices, wide-ranging offerings and generous in-store credit, grocery stores including hypermarkets, supermarkets and discount stores are important players in the Polish retail sector, accounting for nearly 60% of the total store-based retail sales in the country. In a bid to satisfy the rising consumerism and preference for one-stop, value-for-money shopping in Poland, many hypermarket/supermarket chains such as Carrefour, Géant, Metro and Tesco in the country have renovated their stores and incorporated more non-grocery goods such as clothing, footwear and electronics products.

This movement not only helps diversify hypermarkets/supermarkets' business in Poland, but also further circumscribes the growth of grey and second-hand markets. The vast distribution networks throughout the whole country of these hypermarkets/supermarkets are certainly good business counterparts with whom Hong Kong exporters should make contact when planning to tap into the Polish market. As a matter of fact, some of these hypermarket/supermarket chains have set up offices or appointed agents in the Chinese mainland or in Southeast Asian countries to perform sourcing and quality control.

Retail sales in Poland, 2013



* Grocery stores segment includes hypermarkets, supermarkets, discounters, convenience stores, independent small grocery shops, food/drink/tobacco stores, etc.

Mixed retailers segment includes department stores, warehouse clubs, etc.

Remark: Percentages shown above are calculated according to retail sales.

Source: Euromonitor

The growing popularity of shopping centres in Poland has led to the building of larger and better stocked stores, although relatively scattered. There are currently some 470 modern shopping centres in Poland, providing a total of 10 million square metres of shopping-centre space. Most of these are traditional shopping centres with gross leasable area of at least 5,000 square metres, while about 10% are retail parks and outlet centres. Apart from big cities, more shopping-centre developers are starting new projects in smaller cities and more remote towns. For example, it is estimated that out of the 42 shopping centres under construction in mid-2014, two-thirds were located in cities with a population of less than 400,000.

Selected major shopping centres in Warsaw

Name	Website
Arkadia	www.arkadia.com.pl
Blue City	www.bluecity.pl
Centrum Wilenska	www.warszawa-wilenska.pl
Galeria Mokotów	www.galeriamokotow.pl
Janki Shopping Centre	www.chjanki.pl
King Cross	www.kingcrossmarcelin.pl
Klif	www.klif.pl
M1 Marki	www.marki.m1-centrum.pl
Wola Park	www.wolapark.pl
Zlote Tarasy	www.zlotetarasy.pl

Polish shoppers look not only for value, but also for an improved shopping experience. To enhance the entertainment value of the shopping experience, and in particular to appease the younger generation's preference for modern shopping, many shopping centres in Poland have undergone renovation and incorporated into their shopping centres more elements such as cinemas, coffee shops, beauty and spa salons, fine boutiques and restaurants.

The development of organised retail has gone hand in hand with the mushrooming of national retailers that have retail points scattered across the whole country and in neighbouring countries. These national-retail operators are good partners for new-to-the-market companies when making their debut in Poland as well as the CEE region.

**Selected examples of national importers/distributors
and retailers in Poland**

Consumer electronics	Manta Multimedia MIP Lark Polska Centrum Elektroniki ProLine Danti Maxcom	www.manta.com.pl www.mip.bz www.lark.com.pl www.centrumelektroniki.pl www.proline.pl www.danti.pl www.maxcom.pl
Fashion	Vistula Group Thai Mark Agencja J.A.R LPP Paradise Group	http://vistula.pl http://koniczynka.com http://www.royalcollection.pl www.lpp.com.pl www.paradisegroup.pl
Jewellery and timepieces	YES Biżuteria Red Rubin PHU Togo Chronoline Apart W. Kruk Szuchman Gold	www.yes.pl www.redrubin.pl www.chronoline.pl www.apart.pl www.wkruk.pl www.szuchman-gold.pl
Toys and games	Smyk AM Zabawki Marek Abramczuk HH Poland Euro-Trade PHZ Golińscy EPEE Polska ALEXIS II E. I M. Łukasik Russell K.W.Kondraccy	www.smyk.com www.amzabawki.pl www.hhpoland.com.pl www.euro-trade.pl www.epee.pl www.alexis.com.pl www.russell.pl
Gifts and premiums	Bonus Marengo SC Gemini Media Passion Cards Easy Gifts Atut PL	www.bonus.pl www.gemini-media.pl www.kukartka.pl www.easygifts.pl www.atut.info
Houseware	VOX Industrie Almi Decor THK Europe LPP Tex S.A. CHOMIK M.Świeży	www.vox.pl www.almi-decor.com www.thk.com www.lpptex.com.pl www.chomik.pl

Growing foreign participation

Like many other emerging markets, Poland sees increases in the participation of foreign players in its retail sector. Notably, the largest retailing groups in the country are mainly foreign operators in the hypermarket and/or supermarket sector, including Jeronimo Martins (Portugal), Tesco (UK), Carrefour, Auchan and E. Leclerc (France). While the operation and expansion of such foreign operators have made the shopping atmosphere more accommodating and modern in Poland, they have intensified competition, especially in the low-to-mid range market.

Small shops/chains, open markets and e-commerce

While organised retail has fared well in Poland during the recent years of European economic downturn, small shops/chains and open markets continue to play a significant role in the Polish retail market (98% of retailers owned no more than two shops in 2012). This is because consumers are used to buying everyday items at local small shops close to their residence during normal working days, given that shopping centres are not nearby for many households.

Household goods and groceries aside, items on offer from these small shops include clothing, watches and clocks, sporting goods, toys, bags and briefcases, and small electronic and electrical items. Prices of these products, originating from both Polish and overseas suppliers, are usually less expensive and affordable for general households, though after-sales services are usually unavailable. The rising ownership and popularity of smartphones, on the other hand, has prompted widespread e-commerce activities, while convenient price comparison, free delivery and flexible shopping hours are all reasons underlying the dynamic development of online shopping and trading businesses in Poland.

4. Trade regulations

Overview

Poland is a member of the World Trade Organization (WTO). All economic units in the country are permitted to conduct foreign trade activities. As Poland has been a member of the EU since 1 May 2004, it adopts the EU's common external trade policy and measures. Within this setting, Poland is now part of the Single European Market, in which physical barriers of trade and traffic flows among EU member states have been removed. Therefore, goods imported from places outside the EU can be moved freely to other EU member states after customs clearance at the Polish borders, and vice versa.

Import tariffs

As a member of the EU, Poland follows the EU's common external trade policy and measures. As a result, its import tariffs have aligned with EU tariff rates. Besides, a value-added tax (VAT) of 23% applies to most imports as well as domestic products, while lower rates of 8% and 5% are charged for certain products and services.

General import tariff rates of Poland*

HS Code	Description	The EU MFN (%) as of 2014
01	Live animals	0-11.5
02	Meat and edible meat offal	0-15.4
03	Fish and crustaceans, molluscs and other aquatic invertebrates	0-26
04	Dairy produce; birds' eggs; natural honey; edible products of animal origin, not elsewhere specified or included	0-17.3
05	Products of animal origin, not elsewhere specified or included	0-5.1
06	Live trees and other plants; bulbs, roots and the like; cut flowers and ornamental foliage	0-10.9
07	Edible vegetables and certain roots and tubers	0-15.2

HS Code	Description	The EU MFN (%) as of 2014
08	Edible fruit and nuts; peel of citrus fruit or melons	0-20.8
09	Coffee, tea, mate and spices	0-12.5
10	Cereals	0-12.8
11	Products of the milling industry; malt; starches; inulin; wheat gluten	7.7-19.2
12	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruits; industrial or medicinal plants; straw and fodder	0-8.3
13	Lac; gums, resins and other vegetable saps and extracts	0-19.2
14	Vegetable plaiting materials; vegetable products not elsewhere specified or included	0
15	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes	0-16
16	Preparations of meat, of fish or of crustaceans, molluscs or other aquatic invertebrates	0-26
17	Sugars and sugar confectionery	8-12.8
18	Cocoa and cocoa preparations	0-9.6
19	Preparations of cereals, flour, starch or milk; bakers' wares	8.5-12.8
20	Preparations of vegetables, fruit, nuts or other parts of plants	0-33.6
21	Miscellaneous edible preparations	0-12.8
22	Beverages, spirits and vinegar	0-32
23	Residues and waste from the food industries; prepared animal feed	0-12
24	Tobacco and manufactured tobacco substitutes	10-74.9
25	Salt; sulphur; earths and stone; plastering materials, lime and cement	0-1.7
26	Ores, slag and ash	0
27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes	0-8
28	Inorganic chemicals; organic or inorganic compounds of precious metals, of rare earth metals, of radioactive elements or of isotopes	0-5.5
29	Organic chemicals	0-6.5

HS Code	Description	The EU MFN (%) as of 2014
30	Pharmaceutical products	0-6.5
31	Fertilisers	0-6.5
32	Tanning or dyeing extracts; tannins and their derivatives; dyes, pigments and other colouring matter; paints and varnishes; putty and other mastics; inks	0-6.5
33	Essential oils and resinoids; perfumery, cosmetic or toilet preparations	0-12.8
34	Soap, organic surface-active agents, washing preparations, lubricating preparations, artificial waxes, prepared waxes, polishing or scouring preparations, candles and similar articles, modelling pastes, 'dental waxes' and dental preparations with a basis of plaster	0-6.5
35	Albuminoidal substances; modified starches; glues; enzymes	0-9
36	Explosives; pyrotechnic products; matches; pyrophoric alloys; certain combustible preparations	5.7-6.5
37	Photographic or cinematographic goods	0-6.5
38	Miscellaneous chemical products	0-6.5
39	Plastics and articles thereof	0-6.5
40	Rubber and articles thereof	0-6.5
41	Raw hides and skins (other than furskins) and leather	0-6.5
42	Articles of leather; saddlery and harness; travel goods, handbags and similar containers; articles of animal gut (other than silkworm gut)	1.7-9.7
43	Furskins and artificial fur; manufactures thereof	0-3.7
44	Wood and articles of wood; wood charcoal	0-10
45	Cork and articles of cork	0-4.7
46	Manufactures of straw, of esparto or of other plaiting materials; basketware and wickerwork	0-4.7
47	Pulp of wood or of other fibrous cellulosic material; waste and scrap of paper or paperboard	0
48	Paper and paperboard; articles of paper pulp, of paper or of paperboard	0
49	Printed books, newspapers, pictures and other products of the printing industry; manuscripts, typescripts and plans	0

HS Code	Description	The EU MFN (%) as of 2014
50	Silk	0-7.5
51	Wool, fine or coarse animal hair; horsehair yarn and woven fabric	0-8
52	Cotton	0-8
53	Other vegetable textile fibres; paper yarn and woven fabrics of paper yarn	0-8
54	Man-made filaments; strip and the like of man-made textile materials	3.8-8
55	Man-made staple fibres	4-8
56	Wadding, felt and nonwovens; special yarns, twine, cordage, ropes and cables and articles thereof	3.8-12
57	Carpets and other textile floor coverings	3-8
58	Special woven fabrics; tufted textile fabrics; lace, tapestries; trimmings; embroidery	5-8
59	Impregnated, coated, covered or laminated textile fabrics; textile articles of a kind suitable for industrial use	4-8
60	Knitted or crocheted fabrics	6.5-8
61	Articles of apparel and clothing accessories, knitted or crocheted	8-12
62	Articles of apparel and clothing accessories, not knitted or crocheted	6.3-12
63	Other made up textile articles; sets; worn clothing and worn textile articles; rags	0-12
64	Footwear, gaiters and the like; parts of such articles	3-17
65	Headgear and parts thereof	0-5.7
66	Umbrellas, sun umbrellas, walking sticks, seatsticks, whips, riding-crops and parts thereof	2.7-5.2
67	Prepared feathers and down and articles made of feathers or of down; artificial flowers; articles of human hair	1.7-4.7
68	Articles of stone, plaster, cement, asbestos, mica or similar materials	0-3.7
69	Ceramic products	0-12
70	Glass and glassware	0-11

HS Code	Description	The EU MFN (%) as of 2014
71	Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal and articles thereof; imitation jewellery; coin	0-4
72	Iron and steel	0-7
73	Articles of iron or steel	0-3.7
74	Copper and articles thereof	0-5.2
75	Nickel and articles thereof	0-3.3
76	Aluminium and articles thereof	0-10
78	Lead and articles thereof	0-5
79	Zinc and articles thereof	0-5
80	Tin and articles thereof	0
81	Other base metals; cements; articles thereof	0-9
82	Tools, implements, cutlery, spoons and forks, of base metal; parts thereof of base metal	1.7-8.5
83	Miscellaneous articles of base metal	0-3.7
84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	0-9.7
85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	0-14
86	Railway or tramway locomotives, rolling-stock and parts thereof; railway or tramway track fixtures and fittings and parts thereof; mechanical (including electro-mechanical) traffic signalling equipment of all kinds	0-3.7
87	Vehicles other than railway or tramway rolling stock, and parts and accessories thereof	0-22
88	Aircraft, spacecraft, and parts thereof	1.7-7.7
89	Ships, boats and floating structures	0-2.7
90	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus; parts and accessories thereof	0-6.7
91	Clocks and watches and parts thereof	2.7-6
92	Instruments; parts and accessories of such articles	1.7-4

HS Code	Description	The EU MFN (%) as of 2014
93	Arms and ammunition; parts and accessories thereof	0-3.2
94	Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; lamps and lighting fittings, not elsewhere specified or included; illuminated sign illuminated nameplates and the like; prefabricated buildings	0-5.7
95	Toys, games and sports requisites; parts and accessories thereof	0-4.7
96	Miscellaneous manufactured articles	0-7.7
97	Works of art, collectors' pieces and antiques	0

** Some tariff lines may involve more complex tariff calculation than a simple ad valorem duty. For detailed tariff information, please refer to <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L:2014:312:FULL>.*

Source: Commission Implementing Regulation (EU) No 1101/2014 of 16 October 2014, Official Journal of the European Union L312, 31 October 2014

Non-tariff import restrictions

Quantitative barriers

Hong Kong's textiles and clothing exports to the EU were previously subject to the World Trade Organization (WTO) Agreement on Textiles and Clothing (ATC), under which quantitative restrictions on textiles and clothing were eliminated completely on 1 January 2005. Likewise, the previous quotas imposed by the EU on textiles and clothing products originating from the Chinese mainland were removed on 1 January 2005. Notwithstanding that textile safeguard quotas were imposed by the EU on Chinese textile products in 2005, from 1 January 2009 textile and clothing products originating in China no longer require any import licence or surveillance document before entering the EU.

With regards to non-textile manufacturing products, previously the EU also imposed Union-wide quotas on three categories of non-textiles products originating from the Chinese mainland, including certain footwear, porcelain and ceramic tableware/kitchenware. But these quotas were liberalised on 1 January 2005.

Trade remedies

Anti-dumping measures

The EU has initiated anti-dumping (AD) proceedings against certain mainland-origin products. Currently, there are a number of mainland-origin items subject to the EU's anti-dumping measures, including bicycles, candles, ceramic tiles, fasteners, ironing boards, solar panels and steel ropes and cables, which are among the affected products of interest to Hong Kong. As of January 2015, the EU did not apply any AD measures on imports from Hong Kong.

EU's anti-dumping measures against Chinese products (measures in force as of January 2015)

Definitive duties (51 cases)

Product	CN Code	Anti-dumping duty	Imposition date	Expiry date
Aluminium foils ("household foils")	ex 7607 11 19	6.4-30%	06.10.2009	Pending expiry review
Aluminium foils ("household foils" and consumer rolls)	ex 7607 11 11 ex 7607 19 10	14.2-35.6%	13.03.2013	13.03.2018
Aluminium radiators	ex 7607 11 10	12.6-61.4%	09.11.2012	10.11.2017
Aluminium road wheels	ex 8708 70 10 ex 8708 70 50	22.3%	28.10.2010	29.10.2015
Barium carbonate	2836 60 00	€6.3-56.4 / tonne	21.07.2005	20.08.2016
Bicycles	8712 00 30 8712 00 70	48.5%	09.09.1993	05.06.2018
Candles, tapers and the like	ex 3406 00 11 ex 3406 00 19 ex 3406 00 90	€0-549.33 / tonne of fuel	14.05.2009	Pending expiry review
Cargo scanning systems	ex 9022 19 00 ex 9022 29 00 ex 9027 80 17 ex 9030 10 00 ex 8705 90 90	34.0%	16.06.2010	17.06.2015

Product	CN Code	Anti-dumping duty	Imposition date	Expiry date
Ceramic tableware and kitchenware	6911 10 00 ex 6912 00 10 ex 6912 00 30 ex 6912 00 50 ex 6912 00 90	13.1-36.1%	15.05.2013	16.05.2018
Ceramic tiles	6907 10 00 6907 90 10 6907 90 91 6907 90 93 6907 90 99 6908 10 10 6908 10 90 6908 90 11 6908 90 21 6908 90 29 6908 90 31 6908 90 51 6908 90 91 6908 90 93 6908 90 99	26.3-69.7%	15.09.2011	16.09.2016
Chamois leather	4114 10 10 4114 10 90	58.9%	14.09.2006	07.12.2017
Citric acid	2918 14 00 2918 15 00	6.6-42.7%	03.12.2008	Pending expiry review
Citrus fruits	2008 30 55 2008 30 75 2008 30 90	€361.4-531.2 / tonne of net product weight	30.12.2008	12/12/2019
Coated fine paper	ex 4810 13 20 ex 4810 13 80 ex 4810 14 20 ex 4810 14 80 ex 4810 19 10 ex 4810 19 90 ex 4810 22 10 ex 4810 22 90 ex 4810 29 30 ex 4810 29 80 ex 4810 92 10 ex 4810 92 30 ex 4810 92 90 ex 4810 99 10 ex 4810 99 30 ex 4810 99 90	8.0-35.1%	14.05.2011	15.05.2016

Product	CN Code	Anti-dumping duty	Imposition date	Expiry date
Fasteners, iron or steel	7318 12 90 7318 14 91 7318 14 99 7318 15 59 7318 15 69 7318 15 81 7318 15 89 7318 15 90 7318 21 00 7318 22 00	0-74.1%	31.01.2009	Pending expiry review
Ferro-silicon	7202 21 00 7202 29 10 7202 29 90	15.6-31.2%	10.04.2014	10.04.2019
Filament glass fibre products	7019 11 00 7019 12 00 7019 19 10 ex 7019 31 00	7.3-13.8%	15.03.2011	16.03.2016
Hand pallet trucks and their essential parts	8427 90 00 8431 20 00	70.8%	21.07.2005	14.10.2016
Ironing boards	ex 3924 90 90 ex 4421 90 98 ex 7323 99 91 ex 7323 99 99 ex 8516 79 70 ex 8516 90 00	0-42.3%	26.04.2007	24.07.2018
Lever arch mechanisms	ex 8305 10 00	27.1-47.4%	27.07.2006	05.09.2017
Melamine	2933 61 00	Minimum import price (MIP) of €1,153 per tonne net product weight or a fixed duty of €415 per tonne net product weight	13.05.2011	14.05.2016
Molybdenum wires	ex 8102 96 00	64.3%	16.06.2010	17.06.2015
Monosodium glutamate	ex 2922 42 00	33.8-39.7%	02.12.2008	Pending expiry review
Okoumé plywood	4412 13 10 00	6.5-66.7%	12.11.2004	03.02.2016
Open mesh fabrics of glass fibres	ex 7019 40 00 ex 7019 51 00 ex 7019 59 00 ex 7019 90 91 ex 7019 90 99	48.4-62.9%	09.08.2011	10.08.2016
Open mesh fabrics of glass fibres	ex 7019 40 00 ex 7019 51 00 ex 7019 59 00 ex 7019 90 91 ex 7019 90 99	48.4-62.9%	16.01.2013	10.08.2016

Product	CN Code	Anti-dumping duty	Imposition date	Expiry date
Organic coated steel products	ex 7210 70 80 ex 7212 40 80 ex 7225 99 00 ex 7226 99 70	0-16.2%	15.03.2013	15.03.2018
Oxalic acid	ex 2917 11 00	14.6-52.2%	18.04.2012	18.04.2017
Peroxosulphates (persulphates)	2833 40 00 2842 90 90	0-71.8%	11.10.2007	17.12.2018
Polyester high tenacity filament yarn	5404 20 00	0-9.8%	01.12.2010	02.12.2015
Polyethylene terephthalate (PET)	3907 60 20 00	€0-184 / tonne	19.08.2004	18.11.2015
PSC wires and strands	ex 7217 10 90 ex 7217 20 90 ex 7312 10 61 ex 7312 10 65 ex 7312 10 69	0-46.2%	13.05.2009	Pending expiry review
Ring binder mechanisms	8305 10 00 10 8305 10 00 20	Minimum import price of €325 per 1,000 pieces or an ad valorem duty of 51.2-78.8%	24.01.1997	27.02.2015
Seamless pipes and tubes of stainless steel	7304 11 00 7304 22 00 7304 24 00 ex 7304 41 00 7304 49 10 ex 7304 49 93 ex 7304 49 95 ex 7304 49 99 ex 7304 90 00	48.3-71.9%	20.12.2011	21.12.2016
Seamless pipes and tubes, of iron or steel	ex 7304 11 00 ex 7304 19 10 ex 7304 19 30 ex 7304 22 00 ex 7304 23 00 ex 7304 24 00 ex 7304 29 10 ex 7304 29 30 ex 7304 31 80 ex 7304 39 58 ex 7304 39 92 ex 7304 39 93 ex 7304 51 89 ex 7304 59 92 ex 7304 59 93	17.7-39.2%	06.10.2009	Pending expiry review
Silicon metal (silicon)	2804 69 00 00	16.3-19.0%	28.07.1990	30.05.2015
Sodium cyclamate	2929 90 00 10	€0-0.26 / kg	11.03.2004	09.06.2015
Sodium gluconate	ex 2918 16 00	5.6-53.2%	28.10.2010	29.10.2015

Product	CN Code	Anti-dumping duty	Imposition date	Expiry date
Solar glass	ex 7007 19 80	0.4-36.1%	14.05.2014	14.05.2019
Solar panels (crystalline silicon photovoltaic modules and key components)	ex 3818 00 10 ex 8501 31 00 ex 8501 32 00 ex 8501 33 00 ex 8501 34 00 ex 8501 61 20 ex 8501 61 80 ex 8501 62 00 ex 8501 63 00 ex 8501 64 00 ex 8541 40 90	27.3-53.4%	05.12.2013	07.12.2015
Stainless steel fasteners and parts thereof	7318 12 10 7318 14 10 7318 15 30 7318 15 51 7318 15 61 7318 15 70 7318 16 30	11.4-27.4%	19.11.2005	08.01.2017
Steel ropes and cables	7312 10 82 11 7312 10 82 19 7312 10 84 11 7312 10 84 19 7312 10 86 11 7312 10 86 19 7312 10 88 11 7312 10 88 19 7312 10 99 11 7312 10 99 19	60.4%	17.08.1999	10.02.2017
Sulphanilic acid	2921 42 10 60	33.7%	18.12.2014	18.12.2019
Tartaric acid	2918 12 00	8.3-34.9%	27.01.2006	25.04.2017
Threaded tube or pipe cast fittings, of malleable cast iron (MTF)	ex 7307 19 10	24.6-57.8%	14.05.2013	15.05.2018
Trichloroisocyanuric acid (TCCA)	2933 69 80 3808 40 20	3.2-42.6%	07.10.2005	31.12.2016
Tube and pipe fittings, of iron or steel	7307 93 11 99 7307 93 19 99 7307 99 30 98 7307 99 90 98	58.6%	03.04.1996	Pending expiry review
Tungsten carbide and fused tungsten carbide	2849 90 30 00	33.0%	27.09.1990	25.03.2016
Tungsten electrodes	8101 95 00 8515 90 90	17.0-63.5%	13.03.2007	05.06.2018
Welded tubes and pipes of iron or non-alloy steel	ex 7306 30 41 ex 7306 30 49 ex 7306 30 72 ex 7306 30 77	90.6%	19.12.2008	Pending expiry review

Product	CN Code	Anti-dumping duty	Imposition date	Expiry date
Wire rod	7213 10 00	7.9-24.0%	05.08.2009	Pending expiry review
	7213 20 00			
	7213 91 10			
	7213 91 20			
	7213 91 41			
	7213 91 49			
	7213 91 70			
	7213 91 90			
	7213 99 10			
	7213 99 90			
	7227 10 00			
	7227 20 00			
	7227 90 10			
	7227 90 50			
7227 90 95				

Remark: Anti-dumping duty is levied on the basis of CIF price before duty.

Source: Official Journal of the European Union, Trade and Industry Department, Hong Kong SAR Government

Investigations underway (3 cases)

Date of initiation of investigation	Product
1. 26.06.2014	Stainless steel cold-rolled flat products
2. 14.08.2014	Grain-oriented flat-rolled products of silicon-electrical steel
3. 04.09.2014	Acesulfame potassium

Source: Official Journal of the European Union, Trade and Industry Department, Hong Kong SAR Government

Scheme of generalised tariff preferences

The EU's new scheme on generalised system of preferences ("GSP") entered into effect on 1 January 2014. Under the new scheme, beneficiaries will lose preferences on any product groups in which their share of EU imports from GSP beneficiaries exceeds 17.5% (or 14.5% in the case of textiles or clothing). While the number of GSP beneficiary countries is being drastically reduced from 176 to less than 90, the Chinese mainland remains a preferential beneficiary.

Other than products such as toys, textiles and clothing, footwear, furniture, lamps, jewellery or imitation jewellery, electrical equipment, and clocks and watches, six new sectors graduated as of 1 January 2014, namely: Section 1a – live animals and animal products excluding fish; Section 1b – fish, crustaceans, molluscs and aquatic invertebrates; Section 2b – vegetables, fruits and nuts; Section 2c – coffee, tea, mate and spices; Section 2d – cereals, flour, seeds and resins; and Section 4b – prepared foodstuffs (excluding meat and fish), beverages, spirits and vinegar. The total number of graduated sectors thereafter amounts to 27. Regarding Hong Kong, the territory has been fully excluded from the EU's GSP scheme since 1 May 1998.

**List of Chinese origin product “sections” in the new GSP Regulation
which will not benefit from GSP preferences, applicable from
1 Jan 2014 to 31 Dec 2016**

Section 1a	Live animals and animal products excluding fish
Section 1b	Fish, crustaceans, molluscs and other aquatic invertebrates
Section 2b	Vegetables, fruit and nuts
Section 2c	Coffee, tea, mate and spices
Section 2d	Cereals, flour, seeds and resins
Section 4b	Prepared foodstuffs (excl. meat and fish), beverages, spirits and vinegar
Section 6a	Inorganic and organic chemicals
Section 6b	Chemicals, other than organic and inorganic chemicals
Section 7a	Plastics
Section 7b	Rubber
Section 8a	Raw hides and skins and leather
Section 8b	Articles of leather and furskins
Section 9a	Wood and wood charcoal
Section 9b	Cork manufactures of straw and other plaiting materials
Section 11a	Textiles

Section 11b	Articles of apparel and clothing accessories
Section 12a	Footwear
Section 12b	Headgear, umbrellas, sun umbrellas, sticks, whips and prepared feathers and down
Section 13	Articles of stone, ceramic products and glass
Section 14	Pearls and precious metals
Section 15a	Ferro-alloys and articles of iron and steel
Section 15b	Base metals (excl. iron and steel), articles of base metals (excluding articles of iron and steel)
Section 16	Machinery and equipment
Section 17a	Railway and tramway vehicles and products
Section 17b	Motor vehicles, bicycles, aircraft and spacecraft, ships and boats
Section 18	Optical instruments, clocks and watches, musical instruments
Section 20	Miscellaneous

Source: Commission Implementing Regulation (EU), No 1213/2012 of 17 December 2012

Environmental protection requirements

There are an increasing number of regulatory requirements in the EU with respect to environmental protection. In fact, Europe is among the most environmentally conscious societies in the world, and is one of the world's leading regions where green consumerism is active.

The EU's environmental laws and policies aim to provide a high level of protection to the environment and human health. The laws cover every aspect of the environment, namely air, water, land use, flora and fauna, noise, soil and waste. In this respect, they also impact on merchandise that is sold in the EU, attempting to achieve ever more environmentally friendly products, without at the same time excessively burdening producers and importers placing such products on the EU's markets.

The laws are intended to provide a broadly equivalent level of protection throughout the EU, and are regularly reviewed and, where necessary, updated. The overall environmental policy is based on the “polluter pays” principle. So-called “polluters” (normally the economic players comprising industry) are required to pay through the investment needed to meet higher standards or by creating adequate systems to take back, recycle or dispose of, in a sound fashion, products at their end-of-life.

RoHS

Since 2 January 2013, a revised (i.e., recast) version of the RoHS Directive (“RoHS 2”) applies throughout the Union. The provisions of the RoHS 2 Directive, as implemented in the Member States, ban the placing on the market of new electrical and electronic equipment (EEE), including cables and spare parts, containing more than the allowed levels of lead, cadmium, mercury, hexavalent chromium, polybrominated biphenyl (PBB) and polybrominated diphenyl ether (PBDE) flame retardants.

Annex II lists the maximum-accepted thresholds per substance. Accordingly, the maximum concentration amounts of the hazardous substances that may continue to be allowed in electrical and electronic goods are, by weight in homogenous materials, the following percentages:

Heavy metal

- lead 0.1%
- mercury 0.1%
- hexavalent chromium 0.1%
- cadmium 0.01%

Flame retardants

- PBB 0.1%
- PBDE 0.1%

“Homogenous material” means a unit that cannot be mechanically disjointed into different materials

Virtually all electrical and electronic equipment (including laptops and IT equipment, mobile phones, home and audio-visual appliances, office equipment, light bulbs and luminaries) falls within the RoHS scope. The RoHS 2 Directive gradually extends the scope of the RoHS requirements, compared to the RoHS 1 Directive. It aims for full coverage by 22 July 2019. By that time, RoHS 2 will apply to all EEE, cables and spare parts, except for some exclusions that are explicitly listed in Article 2(4) of the RoHS 2 Directive. A complete list of the covered product categories can be found in Annex I of the RoHS 2 Directive.

Article 2(4) of the RoHS 2 Directive expressly excludes military equipment which is essential for security, equipment intended for outer-space, large-scale stationary industrial tools and fixed installations, means of transport for persons or goods except electric two-wheel vehicles which are not type-approved, non-road mobile machinery for professional use, active implantable medical devices, photovoltaic panels, and EEE designed solely for R&D which is made available on a B-2-B basis.

EEE that was outside the scope of the old RoHS Directive, but is in non-compliance with the recast Directive, may continue to be made available on the market until 22 July 2019. However, for medical devices and monitoring-control instruments, the Directive will apply to any devices placed on the market from 22 July 2014; for in-vitro diagnostic medical devices, from 22 July 2016; and for industrial monitoring and control instruments, from 22 July 2017.

The RoHS 2 Directive adds new express obligations on economic operators (i.e., manufacturers, authorised representatives, importers and distributors) compared to the RoHS 1 Directive, so as to reduce the number of non-compliant products and strengthen and harmonise market surveillance by the competent authorities.

On 23 November 2012, the reference and title of an important European harmonised standard was published in the Official Journal of the EU. It has a central importance when it comes to proving compliance with the RoHS 2 Directive.

European Standard EN 50581 was adopted by CENELEC, one of the EU's key European standards bodies. The Standard notes that manufacturers of final products have to be able to demonstrate that their products meet the applicable substance restrictions. It also recognises that – especially for complex products – it is impractical and prohibitively expensive for manufacturers to undertake their own testing of all homogenous materials contained in the final assembled product.

Instead, manufacturers are expected to work with their suppliers to manage compliance. This would include obtaining documentation from their suppliers showing that any materials supplied to them already comply with the substance restrictions. The aim of the European Standard is to specify the technical documentation that the manufacturer needs to compile in order to be able to declare compliance himself.

European Standard EN 50581 is available from CENELEC national members for a small fee. Hong Kong producers selling EEE to European customers should therefore obtain a copy for themselves, as compliance with the Standard will be recognised by national surveillance authorities, and as such can be relied upon throughout the EU. Details of CENELEC's national members and how to contact them can be found at: www.cenelec.eu.

The RoHS Directive was transposed into Polish law by the Ordinance on Hazardous Substance Restrictions in Electronic and Electrical Equipment, adopted on 6 October 2004 and which entered into force on 1 July 2006. The Economic Regulation Department in Ministry of Economy is responsible for implementing RoHS directive to Polish law.

Ministry of Economy

Plac Trzech Krzyży 3/5 00-507 Warsaw, Poland

Web: www.mg.gov.pl

Before putting EEE on the market, a certificate has to be issued for every product concerning its compliance with national technical and security standards (including the RoHS standards). These certificates are issued by laboratories authorised by the Polish Centre for Accreditation (PCA):

Polskie Centrum Akredytacji (PCA)

ul. Szczotkarska 42, 01-382 Warsaw, Poland

Telephone: +48 22 3557000

Email: pca@pca.gov.pl / sekretariat@pca.gov.pl

Web: www.pca.gov.pl

WEEE

The WEEE 2 Directive entered into force on 13 August 2012. The deadline for its transposition by Member States was 14 February 2014, at which time the WEEE I Directive was to be repealed. The WEEE Directive is part of the regulation of the EU's waste-management laws. It aims to both reduce the amount of WEEE being produced and to encourage its reuse, recycling and recovery. The WEEE 2 Directive also aims to improve the environmental performance of businesses that manufacture, supply, use, recycle and recover EEE.

Under the WEEE Directive, virtually all end-of-life EEE is covered, including all household appliances, audio-visual equipment, IT equipment including PCs, equipment commonly used in offices, mobile phones, toys and watches that run on electric power, and most types of lighting. The period between 13 August 2012 and 14 August 2018 is a transitional period. During this period the scope of the WEEE 2 Directive remains the same as the scope of the WEEE 1 Directive (with the exception of photovoltaic panels which have been added to the scope of the WEEE 2 Directive with immediate effect). Thus, during the transitional period, the WEEE 2 Directive will apply to EEE falling within one of the 10 categories set out in Annex I. Annex II of the WEEE 2

Directive contains an indicative (more descriptive) list of EEE which fall within the categories of Annex I.

Certain kinds of products are expressly excluded from the Directive's scope (Article 2(3) of the WEEE 2 Directive):

- military equipment that is essential for security
- equipment that is specifically designed and installed as part of another type of equipment that is excluded from, or does not fall within, the scope of the Directive, which can fulfil its function only if it is part of that equipment
- filament bulbs

From 15 August 2018 onwards the scope of the Directive is widened to include all EEE (open scope). All EEE shall be classified within six categories (listed in Annex III) instead of the 10 categories of the original WEEE Directive. Annex IV of the WEEE 2 Directive contains an indicative list of EEE that fall within the categories set out in Annex III.

From 15 August 2018 onwards, the WEEE 2 Directive not only excludes from its scope the products listed in Article 2(3) of the WEEE 2 Directive, but also the products listed in Article 2(4). These are: equipment intended for outer-space, large-scale stationary industrial tools and fixed installations, means of transport for persons or goods except electric two-wheel vehicles which are not type-approved, non-road mobile machinery for professional use, active implantable medical devices, and EEE designed solely for R&D which is made available on a B-2-B basis. Businesses wishing to verify whether the WEEE 2 Directive applies to their product can follow the flowchart in the Annex to the Commission's draft FAQs on the new WEEE Directive (http://ec.europa.eu/environment/waste/weee/pdf/faq_weee2.pdf).

Article 3(1)(e) of the WEEE 2 Directive defines WEEE as electrical and electronic equipment which is waste, including all components, sub-assemblies and consumables which are part of the product at the time of

discarding. Each Member State has to ensure the implementation of the producer-responsibility principle and, on that basis, a minimum collection rate is to be achieved annually (Article 7 of the WEEE 2 Directive).

Until December 2015, this minimum collection rate is either 4kg per inhabitant per year for WEEE from private households or the same amount of weight of WEEE as was collected by the Member State at issue in the three preceding years, whichever is greater. From 2016, the minimum collection rate is 45% of the average weight of EEE placed on the market in the three preceding years. This percentage is to evolve gradually during the period from 2016 to 2019, unless the collection rate for 2019 is already achieved. From 2019 the minimum annual collection rate is 65% of the average weight of EEE placed on the market in the three preceding years in the Member State concerned or, alternatively, 85% of WEEE generated on the territory of that Member State.

Poland, because of its lack of the necessary infrastructure and low level of EEE consumption, decides on lower targets. Thus, it might have in place a lower interim target (between 40% and 45% instead of 45% by 2016) of the average weight of EEE placed on the market in the three preceding years, and postpone the achievement of the final collection rate mentioned above until a date of their own choice which shall not be later than 2021.

The WEEE Directive has been transposed by the WEEE Act of Poland, which entered into force on 21 October 2005 (hereinafter: "WEEE Act"). For the complete implementation of the WEEE Directive and of prior EU Directives, Poland has also amended its Environmental Protection Law, the Waste Act and the Cleanness Act. This was carried out in a separate Act on Amendments to the Act of Waste and Other Acts of 29 July 2005, which entered into force on 21 October 2005. Responsibility for enforcement of all the provisions of the Polish WEEE Act rests with the Ministry of General Inspector for Environmental Protection (GIEP).

General Inspector of Environmental Protection

Ul. Wawelska 52/54, 00-922 Warsaw, Poland

Telephone : +48 22 579 2220

Email: gios@gios.gov.pl

Web: www.gios.gov.pl

The GIEP is responsible for setting up the register of producers. The GIEP may delegate tasks (except the specification of financial guarantee and penalties) to a competent organisation representing at least 75% of the EEE market. Two major collective schemes are being set up in Poland in line with the WEEE Directive. These include:

CECED Polska (www.cecedpolska.pl)

ERP-Recycling (www.erp-recycling.org)

Ecodesign requirements for energy-related products

The EU's Directive 2009/125/EC establishing a framework for the setting of eco-design requirements for energy-related products ("ErPs") was published in the Official Journal on 31 October 2009 and has been implemented since November 2010.

An ErP is defined as "any good that has an impact on energy consumption during use which is placed on the market and/or put into service, and includes parts intended to be incorporated into energy-related products covered by this Directive which are placed on the market and/or put into service as individual parts for end-users and of which the environmental performance can be assessed independently".

Components and sub-assemblies are defined, on the other hand, as parts that are intended to be incorporated into ErPs but which are not placed on the market or put into service as individual parts for end-users, or the environmental performance of which cannot be assessed independently. Nonetheless, even for such parts, implementing measures may require that the manufacturer of the ErP is provided with relevant information on their composition, consumption of energy, materials and/or resources.

Due to the definition, all energy-related products are potentially covered within the Directive's scope. Such products would continue to include energy-using products (e.g., different types of electrical appliances) but may, potentially, also cover shower heads and other bathroom fittings, insulation

materials, double-glazing and other products that are related to the using of energy, which, in effect, have a significant potential for saving it, if designed in an eco-friendly manner.

The ErP Directive requires that the Commission shall, not later than 21 October 2011, establish a working plan, to be made publicly available. The working plan will have to set out for the following three years an indicative list of product groups which are considered as priorities for the adoption of implementing measures. As regards ErPs to be covered by implementing measures, the Directive requires that Member States may allow only such ErPs to be placed on the market and/or put into service if they comply with those measures and bear the CE marking in that regard.

Of relevance to Hong Kong traders, the Directive's Article 4 lays out the responsibilities of the EU importer: thus, where the manufacturer is not established (himself or through a mandated representative) in the EU, the obligation is to ensure the ErP concerned is in compliance with the Directive and the future implementing measures rest with the importer. It is also his responsibility to keep the declaration of conformity and the technical documentation available.

It should be noted that ErPs intended only for fairs, exhibitions and demonstrations need not be in conformity of applicable implementing measures, as long as there is a visible indication that they are not being placed on the market.

So far (until 31 January 2015) the Commission has adopted implementing measures under the Directive on eco-design for more than 20 types of product. These are all products that directly use energy (thus, energy-using products), including household dishwashers, household washing machines, circulators, electric motors, refrigerators and freezers, televisions, external power supplies, lighting products in the domestic sector, lighting products in the tertiary sectors (office and street lightening), simple set-top boxes, standby and off-mode electric power consumption household and office equipment, domestic ovens, hobs and range hoods, heaters and water

heaters, vacuum cleaners, computers, household tumble driers, water pumps, air conditioners and comfort fans, industrial fans, complex set-top boxes and imaging equipment.

REACH

REACH, an EU Regulation, which stands for Registration, Evaluation, Authorisation and Restriction of Chemicals, entered into force on 1 June 2007. Among other issues, it requires EU manufacturers and importers of chemical substances (whether on their own, in preparations or in certain articles) to gather comprehensive information on properties of their substances produced or imported in volumes of one tonne or more per year, and to register such substances with the European Chemicals Agency (“Agency”) in Helsinki prior to manufacturing in, or importing into, the EU. The obligations concerning EU manufacturers and importers of “phase-in” substances began on 1 June 2008 (starting with a period of pre-registration). The pre-registration period closed on 1 December 2008. Phase-in substances are, essentially, chemical substances that are already listed in the European Inventory of Existing Commercial Chemical Substances (EINECS), and number more than 100,000.

While the REACH Regulation allows EU manufacturers and importers to be registrants, and thereby fulfil all their REACH-related obligations so as to continue their trade in the EU without disruption, the same right is not extended to non-EU manufacturers (e.g., those located in Hong Kong or the Chinese mainland). However, if these persons do not wish to depend on importers’ registrations, they are permitted to nominate an only representative to register their substances imported into the EU (either on their own, in preparations or in articles). The only representative then takes over all the importers’ REACH obligations in respect of those imports.

With regard to articles, substances therein have to be registered with a Technical Dossier where (a) the substance present in those articles totals one tonne or more per year per producer or importer AND (b) the substance is intended to be released under normal or reasonably foreseeable conditions

of use. A Chemical Safety Report will also need to be submitted where the substance totals 10 tonnes or more in those articles, per year, per producer or importer.

As a general rule (although exemptions apply), the Agency has to be notified by the importer or producer of articles where a substance therein is a substance of very high concern (SVHC), e.g., it is deemed to be carcinogenic, mutagenic or toxic for reproduction, and is identified as such for eventual inclusion in Annex XIV (a list of substances subject to authorisation), if (a) the substance present in those articles totals one tonne or more per year per producer or importer AND the substance is present in those articles above a concentration of 0.1% weight by weight (w/w). The Agency can then require registration of the substance (if it does not already have to be registered).

The registration of substances (primarily “existing chemicals”, i.e., those already listed in EINECS and referred to in REACH as phase-in substances) benefit from grace periods (it should be noted that EINECS contains 100,196 entries, comprising substances introduced between 1 January 1971 and 18 September 1981). Registration with the Agency is not required until 1 June 2018 for quantities reaching one tonne or more per year, per manufacturer or importer. However, if the substance is classified as carcinogenic or very toxic to aquatic organisms and imports of these substances reach one tonne or more per year, or in cases of a substance that is being imported in quantities of 1,000 or more tonnes per year, the registration deadline has now passed: it was 1 December 2010.

The registration deadline has also passed for phase-in substances manufactured in the EU or imported, in quantities reaching 100 tonnes or more per year per manufacturer or per importer: it was 1 June 2013. The aforementioned grace periods and tonnage bands also apply to registration of the substances in preparations or in articles.

The Agency has various powers under REACH for the evaluation of substances. It can take decisions on the testing procedures submitted by registrants, and ask registrants to furnish additional information if deemed

necessary. The registration of substances is subject to two types of evaluation:

- i) Dossier Evaluation, including compliance checks of registrations can be performed by the Agency on a random basis (the dossier evaluation is subject to the priority criteria set out in the REACH Regulation), in order to examine testing proposals and to ensure that unnecessary animal tests and costs are avoided and that test results are relevant for the chemical safety process; and to check the compliance of a registration dossier with all the requirements of the REACH Regulation.
- ii) Substance Evaluation, performed by the Agency in cooperation with the Member States' authorities. The Agency will prioritise the substances on a risk-based approach and coordinate the substance evaluation processes carried out in the Member States. Each Member State will be entrusted with the evaluation of one or more substances.

The evaluation work is to be carried out in certain time intervals, with priority being given to registrations of SVHC or substances classified as dangerous according to the CLP regulation. Information obtained in the registration dossier and under the substance evaluation will also be considered when justifying the identification of a substance of very high concern, to initiate the restriction of the manufacture, placing on the market or use of a substance within the Community, and/or to propose a harmonised classification and labelling.

On the other hand, the aim of an authorisation is to establish that the risks from substances of very high concern are properly controlled or that these substances are replaced by suitable alternative substances or technologies.

Initially, the Agency was supposed to include a first list of such substances by 1 June 2009, i.e., in Annex XIV: the list of substances subject to authorisation. Substances that may be included in Annex XIV are CMR category 1 and 2 substances, PBT and vPvB substances, as well as any other substances for which there is scientific evidence of probable serious effects to humans or the

environment which give rise to equivalent concerns as CMR category 1 and 2, PBT or vPvB substances. An application for an authorisation will have to be lodged with the Agency for use of substances of very high concern. Authorisation for specific uses can be granted if the manufacturer or importer is able to demonstrate that risks can be adequately controlled or if the socio-economic advantages of the specific use are predominant. Authorisation decisions may need to be amended or withdrawn as a result of a review which can be carried out at any time when there is a change of circumstances. Importantly, the authorisation only applies to the manufacturing, placing on the market and use of substances in the EU. It does not restrict companies in third countries from using such substances in preparations and articles that are imported into the EU.

Substances on the Candidate List may subsequently become subject to authorisation by decision of the European Commission. In such case, they are inserted into Annex XIV of the REACH Regulation. Substances are added to the Candidate List by the Agency. The inclusion of a substance in the List may entail legal obligations – information and notification – for SVHCs in articles on companies.

The content of dangerous substances in articles can be restricted or banned under the restrictions procedure. Articles producers and importers have to follow the conditions outlined in Annex XVII of REACH which began applying on 1 June 2009. Those entries listed in Annex XVII which are likely to be of particular interest to Hong Kong businesses exporting their products to the EU include phthalates in toys and childcare articles, azocolourants in textiles and leather goods and cadmium in a number of applications.

Meanwhile, the REACH Regulation contains some exemptions regarding the registration requirements for substances, and Annexes IV and V of the REACH Regulation lays out lists of substances which are not covered by the registration requirement.

Toy Safety Directive

A new Directive 2009/48/EC on the safety of toys (the "Toy Safety Directive") was published in the EU's Official Journal. All EU Member States were required to bring into force the laws, regulations and administrative provisions necessary to comply with the Directive by 20 January 2011 and to apply those measures from 20 July 2011.

Directive 2009/48/EC updates measures to take account of technological developments and – following a number of high-profile product withdrawals of dangerous goods (including toys) in the summer of 2007 – new safety concerns. Firstly, Directive 2009/48/EC provides for an updated definition of toys. Thus, according to the new Directive, a toy is “a product designed or intended, whether or not exclusively, for use in play by children under 14 years of age”.

Moreover, the new Directive sets out a list of products which are toys but which are excluded from its scope in its Article 2. These include, for instance, playground equipment intended for public use, automatic playing machines, whether coin-operated or not, intended for public use, toy vehicles equipped with combustion engines, toy steam engines and slings and catapults.

Furthermore, Annex I sets out a non-exhaustive list of products that do not fulfil the definition of toys but could be confused with them. The list is only indicative and the Directive states that it should be added to, to clearly show which items will not be considered to be toys for the purposes of the legislation, e.g., to include certain new products, such as videogames and peripherals. New products included in the list in Annex I include swimming learning devices for children, such as swim seats and swimming aids; skateboards intended for children with a body mass of more than 20kg; and child-appealing luminaries. Additional information is given on other product ranges which will not be included in the scope of the Directive, such as certain collectors' items, with Annex I providing that the packaging of such items should bear a visible and legible indication that these are intended for collectors of 14 years of age and above.

Other definitions are expanded upon in Article 3 of the new Directive, including the term “placing on the market”, which is stated to mean “the first making available of a toy on the Community market”. The definitions of different economic operators are also set out, including manufacturers, authorised representatives, importers and distributors. Among others, aquatic toys, chemical toys, olfactory board games, cosmetic kits, gustative games and design speed are also defined.

Furthermore, Directive 2009/48/EC contains tougher safety requirements when compared to its predecessor. Hence, toys that are placed on the market in the EU will be required to comply with expanded essential safety requirements when compared to the old Directive. Among other matters, these new requirements provide that the ability of users, and where appropriate their supervisors, shall be taken into account (especially in the case of toys intended for use by children aged under 36 months). Further “particular safety requirements” are set out in Annex II to the new Directive. These set out requirements for toys including their physical and mechanical properties, flammability, chemical properties and electrical properties.

The safety requirements have been updated to ensure high levels of protection and to take technical progress into account. Thus, in the field of electrical properties, technical progress has made it possible to allow the limit of 24 volts set in old Directive 88/378/EEC to be exceeded.

Stricter rules now apply in relation to hazards caused by certain chemical substances and fragrances used in toys, as well as noise from toys. Safety requirements have been adopted to protect children against the risk of chemical substances in toys, in particular substances classified as being carcinogenic, mutagenic or toxic for reproduction (CMRs), allergenic substances and certain metals. Directive 2009/48/EC states that chemical substances in toys should also comply with Regulation 1907/2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH). The new Directive also provides that limit values for the use of certain substances (e.g., lead, arsenic and organic tin) should be reduced.

New essential safety requirements are set out regarding noise from sound-emitting toys and specific safety requirements are imposed to cover potential hazards from toys in food. The Directive also sets out appropriate conformity assessment procedures to be followed by the manufacturer and obligatory requirements for conformity assessment bodies and notifying authorities.

Economic operators placing toys on the EU market will carry the responsibility for ensuring that their products comply with the toy safety Directive. For example, importers now have the express obligation to only place compliant toys on the EU market and to ensure that the appropriate conformity assessment procedure has been carried out by the manufacturer. When placing a toy on the market, importers should indicate on the toy their name and the address at which they can be contacted. Exceptions may be provided for in cases where the size or nature of the toy does not allow for such an indicator. This includes cases where importers would have to open the packaging to put their name and address on the product.

The new toy safety Directive also complements and adds to provisions regarding warnings on toys found in the previous toy safety Directive. General requirements provide that warnings placed on packaging and on toys themselves must be clearly visible and preceded by the word “Warning”. In addition, warnings must be provided in a language that is understandable to consumers and must be visible on the packaging or at the point of sale, where their content might influence a decision whether or not to purchase a toy (the warning must also be made visible prior to an internet sale). Warnings must be marked clearly, legibly and in a manner that is understandable to consumers. The warnings must be marked on the toy, on an affixed label or on the packaging and, if appropriate, on instructions for use. Where the toy is sold without packaging due to its size, the warnings should be affixed to the toy itself.

Specific warnings are set out in the Directive’s Annex V. These include a general requirement to display the minimum or maximum age of the user of the toy and, where appropriate, the abilities of the user, the maximum or

minimum weight of the user and the need to ensure that the toy is used only under adult supervision. Further specific warnings are set out for: toys not intended for use by children under 36 months; activity toys; functional toys; chemical toys; aquatic toys; packaging for fragrances in olfactory board games; cosmetic kits; and toys in food.

Harmonisation of product standards

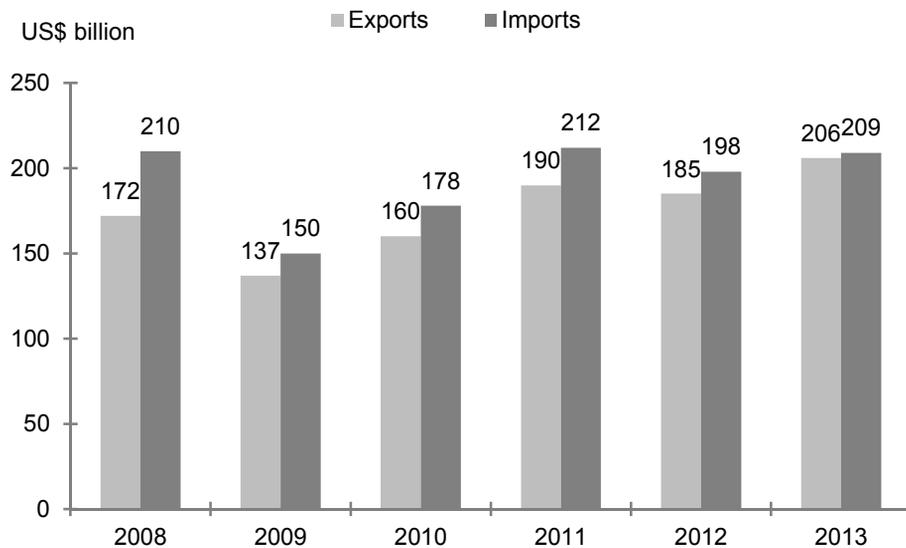
Poland has adopted the EU's technical standards, as well as regulations related to health and safety. For years, the country has been in the process of adapting to the EU's harmonised European product legislation, which covers conformity assessment bodies, accreditation bodies, standardisation and market surveillance. Products certified in accordance with EU standards are now recognised by Poland. As many Hong Kong exporters have already had their products certified to meet and/or be conformable with the EU's standards, they will be able to market the same products in Poland without additional approval.

5. Potential trade opportunities

Overview

As early as in the 1990s, EU countries were the major trading partners with Poland. Nowadays Germany remains the country's biggest export destination and import source, sharing 25% and 22% in Poland's total exports and total imports, respectively, in 2013. While European countries maintain a dominant share in Poland's external trade, Poland's imports from Asia have been ever-increasing in recent years, thanks to the rising interests in sourcing from Asia, especially the Chinese mainland. In 2013, China was the third-largest supplier of Poland, sharing more than 9% of the country's total imports.

Foreign trade turnover in Poland

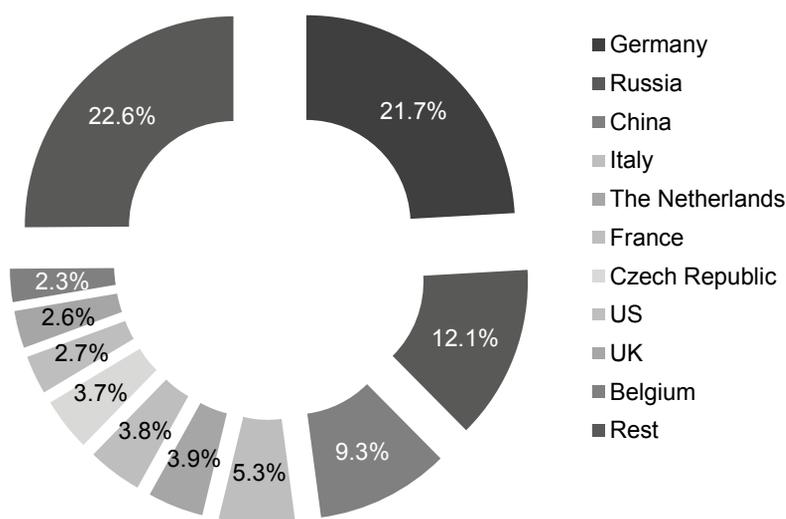


Source: GUS

Given their small order size, Polish importers used to relying heavily on Western European distributors, Germany for example, to import bulk quantities from Asia, resulting in an increase of import costs by as much as 20-30%. This situation has changed in recent years, since Asian suppliers,

including Hong Kong and mainland Chinese companies, reduced their minimum order quantities due to more intense competition and the economic fallout in mature markets. Meanwhile, on the back of a strengthening of import demand, Polish importers' ability in placing larger orders with overseas suppliers has also been enhanced. While some Polish importers have started to increase sourcing from Asia through traders/agents, many others are considering or utilising the option of direct imports.

Polish imports by country, 2013 (Total: US\$209 billion)



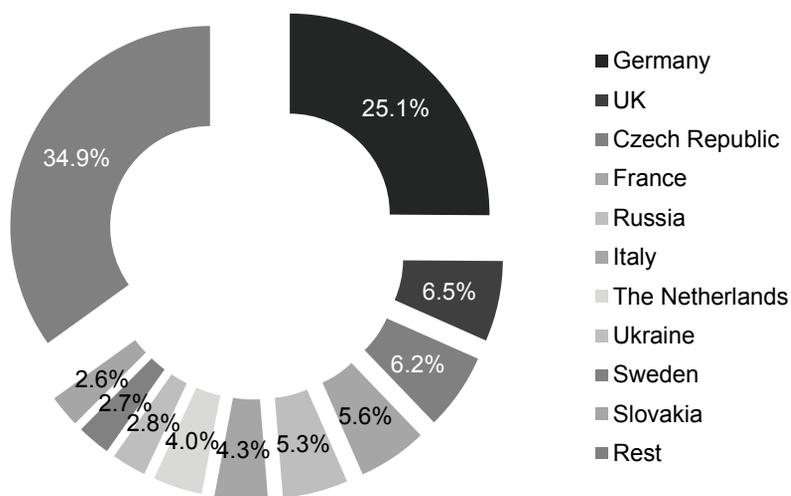
Total imports by countries, 2013

		US\$ million	% Growth 12/13	% Share in 2013
1.	Germany	45,260	7.1	21.7
2.	Russia	25,265	-9.7	12.1
3.	China	19,447	10.4	9.3
4.	Italy	11,126	6.9	5.3
5.	Netherlands	8,097	5.0	3.9
6.	France	7,972	3.0	3.8

		US\$ million	% Growth 12/13	% Share in 2013
7.	Czech Republic	7,659	5.1	3.7
8.	US	5,531	8.8	2.7
9.	UK	5,469	12.9	2.6
10.	Belgium	4,820	9.0	2.3

Source: GUS

Polish exports by country, 2013 (Total: US\$206 billion)



Total exports by countries, 2013

		US\$ million	% Growth 12/13	% Share in 2013
1.	Germany	51,756	11.5	25.1
2.	UK	13,417	7.4	6.5
3.	Czech Republic	12,769	9.4	6.2
4.	France	11,581	7.0	5.6
5.	Russia	10,805	9.3	5.3
6.	Italy	8,903	-0.6	4.3
7.	Netherlands	8,187	-0.9	4.0
8.	Ukraine	5,713	8.4	2.8

		US\$ million	% Growth 12/13	% Share in 2013
9.	Sweden	5,597	13.1	2.7
10.	Slovakia	5,443	13.5	2.6

Source: GUS

Despite captivating suppliers worldwide, Poland is still very much uncharted territory to most Hong Kong suppliers. While Hong Kong's exports to the region remain scanty, sales growth has been impressive in recent years after a significant dip in 2009.

Hong Kong's trade with Poland



Source: Census & Statistics Department, HKSAR Government

Thanks to limited production of consumer goods in Poland, Hong Kong's trade with the country has fared well in recent years. Since a slump in 2009, Hong Kong's total exports to Poland have expanded by 58%, or a compound annual growth rate of 12%. Riding on Poland's resilient economic performance during the global recession and a gradual global recovery, trade between Hong Kong and Poland is expected to maintain its momentum over

the coming years, taking into account the growing trend of direct sourcing among Polish companies. Product-wise, Hong Kong companies look set to have good potential from a medium- to long-term perspective in electronics (including parts and components), gifts and premiums, toys and games, fashion products, timepieces and jewellery.

Hong Kong's total exports of selected products to Poland

(US\$ million)	2010		2011		2012		2013	
	Value	% Growth	Value	% Growth	Value	% Growth	Value	% Growth
Total exports	704	+32.1	763	+8.4	769	+0.7	844	+9.8
Electronics [^]	377	+45.1	424	+12.3	441	+4.2	543	+23.1
<i>Telecom equipment</i>	81	+19.7	70	-13.5	62	-11.7	102	+65.5
<i>AV equipment</i>	25	-25.7	31	+23.1	34	+9.9	33	-2.8
<i>IT equipment</i>	60	+28.1	60	+0.8	51	-15.6	86	+70.7
Gifts and premiums*	119	+25.1	139	+16.2	142	+2.4	118	-16.9
Toys and games	65	+38.4	80	+22.7	89	+11.7	73	-18.6
Fashion products	68	-6.7	66	-3.1	52	-20.9	44	-15.7
<i>Clothing</i>	46	-14.8	46	+0.7	35	-23.1	28	-21.9
<i>Footwear</i>	7	+42.3	7	+1.9	6	-18.0	4	-37.4
<i>Travel goods and handbags</i>	15	+6.7	13	-16.5	11	-14.3	13	+16.1
Watches and clocks	21	+51.9	18	-18.0	15	-13.4	15	-1.2
Jewellery	12	-14.5	16	+34.3	17	+4.0	14	-17.8
Household electrical appliances	16	-41.6	8	-46.5	8	-9.7	7	-9.8

[^] Includes finished electronic products and parts and components of electronic products

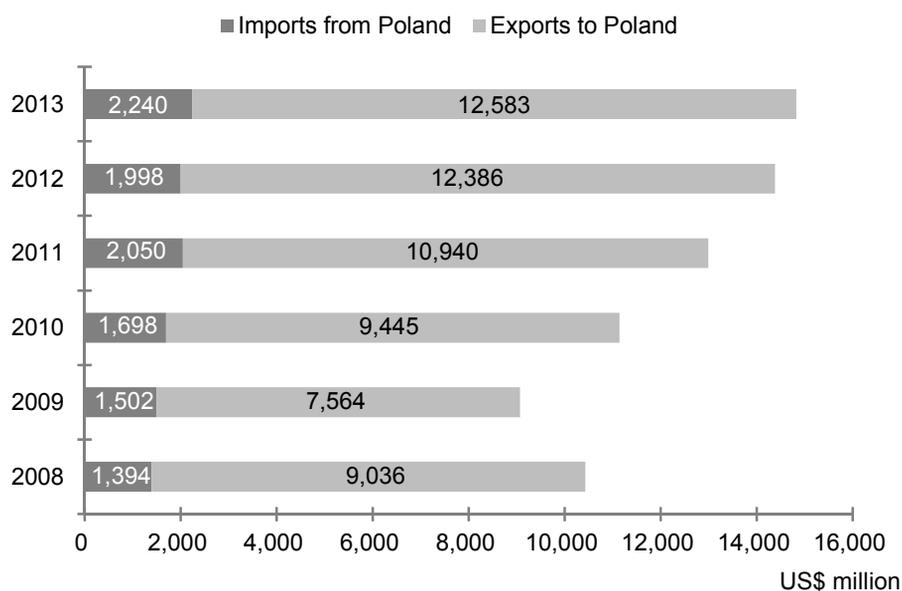
* Includes items covered in other categories

Source: Census & Statistics Department, HKSAR Government

Hong Kong as a platform for Sino-Polish trade

Sharing a common communist background, Poland maintains close trade relations with China. While Poland, with rising incomes, has been buying more from China, the country has also been exporting more to China in recent years. Despite the global recession and the European debt crisis, Poland's imports from China expanded by 39%, or a compound annual growth rate (CAGR) of 7%, during 2008-2013, while Poland's exports to China grew by 61%, or a CAGR of 10%.

Bilateral trade between Poland and China



Source: China Customs

This encouraging growth trend is not expected to taper despite the economic slowdown in Europe, but gather steam as Polish companies continue their journey to the East, especially the Chinese mainland, for sourcing products that can offer better value for money, while Chinese enterprises will continue their investment and commercial presence in Poland.

While the presence of Hong Kong companies or investors in Poland remains rather low, Hong Kong, as a facilitator, will have an increasing role to play amid ever-growing Sino-Poland economic trade and investment. Apart from the provision of various trade-related services, such as financial and logistic supports to traders and investors from both sides, Hong Kong can leverage its knowledge and network in the Asian region to help Polish traders and investors explore the lucrative Asian market. It can also help Chinese enterprises use Poland as a gateway to the gigantic EU market, given its extensive experience of doing trade in Europe.

6. Business practices

Business hours

Government offices and agencies in Poland work five days a week, 8:15am to 4:15pm. Industrial-plant administrations and offices are open from 7am to 3pm, while commercial banks are generally open from 9am to 5-6pm. They are usually closed during weekends and public holidays.

Food and grocery shops are generally open on weekdays from 6-7am to 6-7pm, and on Saturdays from 7am till 1pm. Some also open in the afternoon on Saturdays and Sundays. Certain shops, predominantly grocery stores, open to 9-10pm and some are open 24 hours a day.

Shops and department stores selling consumer goods and/or offering services operate from 10-11am to 6-7pm. But they usually close early (between 1pm and 4pm) on Sundays. Hypermarkets and supermarkets in big cities usually open to 9pm.

Religion and holidays

The majority of Poles are Catholic. They largely enjoy festivities, and follow traditions and centuries-old customs. Links with tradition are felt the strongest during the biggest religious holidays, such as Christmas, Easter, Corpus Christi processions and All Saints' Day.

The two main national holidays are the anniversary of the restoration of independence in 1918 (the Independence Day), celebrated on 11 November, and the anniversary of the passing of Poland's first Constitution, on 3 May 1791 (the Constitution Day). These are official holidays with ceremonies, marches, concerts and other festivities.

Other holidays include Women's Day (8 March), Mother's Day (26 May), Granny's Day (21 January) and Children's Day (1 June), which are not public holidays and are mainly celebrated at home.

Public holidays in Poland

Date for 2015	Date for 2016	Event
1 January	1 January	New Year's Day
6 January	6 January	Epiphany
5 April	27 March	Easter Day
6 April	28 March	Easter Monday
1 May	1 May	Labour Day
3 May	3 May	Constitution Day
24 May	15 May	Pentecost Sunday
4 June	26 May	Corpus Christi
15 August	15 August	Assumption Day
1 November	1 November	All Saints' Day
11 November	11 November	Independence Day
25-26 December	25-26 December	Christmas

Greetings and gestures

Polish people enjoy greeting each other. When arriving at a meeting, Polish people shake hands and say "Hello" ("cześć", i.e., "Hi" in Polish) to each other. When the company is larger it's right to shake hands with all those present. Some people may exchange embraces or even a kiss during a greeting, which indicates familiarity. A moderated kiss, which is in fact a delicate touch of cheeks, is also acceptable. Nevertheless, it should be noted that non-Polish men may not be expected to kiss Polish women for greetings.

English can be regarded as the most popular foreign language in Poland, especially in Warsaw. Therefore, when referring to someone, one may refer to them as "Mr." or "Ms." in English, together with their surname. Dropping "Mr." or "Ms." and calling people by their surnames only, or even using titles such as "President" or "Director", may be taken as impolite.

Business meetings

While business meetings are usually undertaken during office hours, Poles also welcome business lunches or dinners at restaurants, and even at coffee shops or cafés. However, breakfast meetings for business purposes are yet to be popular.

On the other hand, the impression that Poles like drinking strong alcohol during business dinner may not be valid, at least these days. While some may still like to drink vodka, many have switched to beer and wine.

Strong family values

Poles largely have a strong value towards family. Most Polish people opine that a successful family life is of the utmost importance. This is evidenced by the fact that Poland has one of the highest marriage rates and one of the lowest divorce rates in Europe. The most popular family model is 2 + 2, which consists of mother, father and two children. But this pattern has changed somewhat along with economic development, and an increasing number of parents, especially younger couples, are choosing to have only one child.

7. Challenges facing exporters

Domino effects of slow growth in the EU and geopolitical tensions

Poland is clearly not immune to the lingering economic headwinds across the EU and the recent geopolitical tensions between Russia and the EU. The fading out of growth momentum at the European level is presenting challenges to economic growth in the country, given its high export dependence on European markets like Germany (shared 25% of total exports in 2013), the UK (7%), the Czech Republic (6%) and France (6%). Meanwhile, EU's sanctions and Russia's counter sanctions namely, a one-year ban on food imports from the EU, are set to have an adverse impact on Poland's overall trade.

Return of migrant workers

Under the cloud of the tepid growth across Europe, many Polish migrant workers working in countries such as Ireland, the UK and Russia, are among the first to lose their jobs and end up returning home. This may not only greatly reduce the overseas remittances, but also trigger the return of crippling unemployment. On the other hand, while Poland has demonstrated considerable resilience throughout the global downturn and has escaped recession in the past few years, the feeble and uncertain European economy will somewhat affect Poles' employment opportunities abroad, not to mention the ongoing budget cuts, continued fiscal reforms and recent geopolitical tensions between the EU and Russia.

Bureaucracy and demand problems

Like many other emerging markets, bureaucracy can be a headache in Poland, while infrastructure deficiency is still bothering importers and exporters in the face of increasing trade traffic. On the other hand, despite higher incomes and a spirit of modernity, product trends and purchasing power in Poland are still lagging behind the West. This confines the product

assortment to less avant-garde items, while the grey and second-hand markets limit the offerings to low- to mid-priced ones. Also worth noting is Polish importers' growing inclination towards direct sourcing from mainland Chinese manufacturers, something that has been gathering steam as Polish buyers, especially retailers, continue to consolidate in recent years.

8. Practical recommendations

Target Poland but not Poland alone

Hong Kong companies can explore Poland's potential as a regional centre for distributing products in Europe, especially the Eastern European region. Serving as a gateway and vital conduit for trade, Poland's steadily improving infrastructure with respect to warehousing and logistics can somehow help other landlocked CEE countries to cope with the increasing intra- and inter-regional trade. On the other hand, riding on the historical linkage and geographical proximity, Poles are used to doing business with Europeans, especially Germans, across the western border and Russians across the eastern border, and are therefore very knowledgeable about the differences across Eastern and Western Europe. Therefore, finding the right partner or gaining a foothold in Poland may also facilitate market penetration across Europe.

Get ready and strive for ODM and OBM orders

Hong Kong brand owners should take heed of the huge potential in the Polish market for foreign brands. Many Polish companies do not have their own design capability, meaning that they usually rely on products supplied by overseas designers and brands. In this context, Hong Kong designers and brand owners are advised to prepare well-designed collections featuring decent designs and branding to set out ODM and OBM businesses. Instead of providing designs and placing OEM orders, it is increasingly common to see Polish and CEE buyers and retail operators looking for good buys of foreign collections and brands to match with their private-label series and expanding online businesses.

Never settle for inferior quality

While Polish consumers are likely to trade down amid economic slowdown, Hong Kong exporters should not regard the Polish market as a dumping place for their unsold products. Although shoppers are expected to focus

more on prices and comparing prices during economic hard times, Polish consumers are still reluctant to sacrifice quality for cheap prices, especially for fashion products. Quality in general remains a decisive factor in the Polish market. Hong Kong companies should bear this in mind and “surprise” the market with products of good price/quality ratios, perhaps with reduced features and product content, but never poor quality. This could be a golden time for Hong Kong companies to gain a reputation by establishing images and/or brands that promise quality to consumers.

Leverage on Poles’ good perception of Hong Kong

While Poles are not hostile to Chinese products, some of them require more thorough tests of Chinese products, especially food and fertilisers. This gives Hong Kong a role to play regarding quality control as well as third-party testing. Moreover, quite a few Polish importers have expressed that they still find it more reliable and convenient to make use of Hong Kong professional services such as accounting, legal and banking services, even when they avoid Hong Kong traders and do their own sourcing directly on the Chinese mainland. Direct benefits aside, a better perception of Hong Kong traders and service providers would also give Hong Kong an advantage over indigenous Chinese competitors when Polish exporters are targeting the mainland and greater Asian markets.

Win business by taking reasonable risks and increasing flexibility

Poland remains an emerging market of which Hong Kong companies should be wary regarding the challenges arising from payment risks and small orders. It should be noted that except for some large buyers, letters of credit are not common for imports by Polish distributors. Polish buyers usually ask for open credit when sourcing from Asia. To overcome this obstacle, alternative payment terms, such as D/Ps (documents against payment), and limited open credit for some credible buyers, should be considered. Hong Kong companies therefore have to take some risks for such deals, and a certain commitment is required to open up the Polish market, for instance,

giving credit or longer credit terms to Polish buyers that have a favourable track record and sound credit background. It goes without saying that Hong Kong exporters should be more flexible in suiting the needs of importers and traders by accommodating smaller orders. This is important when approaching potential buyers that might want to test the market and product quality before placing large orders.

Appendix 1

Map of Poland



Appendix 2

Population of major cities in Poland

City	'000 people
Warsaw (capital)	1,716
Kraków	758
Łódź	719
Wrocław	631
Poznań	551
Gdańsk	460
Szczecin	409
Bydgoszcz	361
Lublin	348
Katowice	307

Source: GUS, 2013

Appendix 3

Useful contacts and resources

Hong Kong

Consulate General of the Republic of Poland

Room 3505 - 06, Hopewell Centre

183 Queen's Road East, Wanchai, Hong Kong

Tel: +852 2840 0779

Fax: +852 2596 0062

E-mail: kgrphk@netvigator.com

Website: www.hongkongkg.polemb.net

Poland

Hong Kong Trade Development Council, Warsaw Office

ul. Chalubinskiego 8 lok. 3370, 00-613 Warsaw, Poland

Tel: +48 (22) 830 05 52

Fax: +48 (22) 830 07 11

E-mail: warsaw.consultant@hktcdc.org

Embassy of the People's Republic of China in the Republic of Poland

ul. Bonifraterska 100-203 Warsaw Polska

Tel: +48 (22) 831 38 36

Fax: +48 (22) 635 42 11

E-mail: chinaemb_pl@mfa.gov.cn

Website: www.chinaembassy.org.pl

(Economic and Commercial Counsellor's Office)

Tel: +48 (22) 831 38 61

Fax: +48 (22) 635 80 79

E-mail: pl@mofcom.gov.cn

Website: <http://pl2.mofcom.gov.cn/>

Selected government departments and agencies

Central Statistical Office (GUS)

Al. Niepodleglosci 208, 00-925 Warsaw

Tel: +48 (22) 608 30 00

Website: www.stat.gov.pl/gus

Ministry of Economy

Pl. Three Crosses 3/5, 00-507 Warsaw

Tel: +48 (22) 693 50 00

Fax: +48 (22) 693 40 46 to 48

E-mail: mg@mg.gov.pl

Website: www.mg.gov.pl/

Ministry of Labour and Social Policy

ul. Nowogrodzka 1/3/5, 00-513 Warsaw

Tel: +48 (22) 661 10 00

E-mail: info@mps.gov.pl

Website: www.mpips.gov.pl

Ministry of the Environment

ul. Wawelska 52/54, 00-922 Warsaw

Tel: +48 (22) 579 29 00

E-mail: info@mos.gov.pl

Website: www.mos.gov.pl

Ministry of Finance (inclusive of Central Customs Office)

ul. Świętokrzyska 12, 00-916 Warsaw

Tel: +48 (22) 694 55 55

E-mail: kancelaria@mofnet.gov.pl

Website: www.mofnet.gov.pl

National Bank of Poland

ul. Światokrzyska 11/21, 00-919 Warsaw

Tel: +48 (22) 653 10 00

Fax: +48 (22) 620 85 18

E-mail: listy@nbp.pl

Website: www.nbp.pl

Polish Centre for Testing and Certification

ul. Kłobucka 23 A, 02-699 Warsaw

Tel: +48 (22) 464 52 00

Fax: +48 (22) 647 12 22

E-mail: pcbc@pcbc.gov.pl

Website: www.pcbc.gov.pl

Polish Committee for Standardization

Świętokrzyska 14, 00-050 Warsaw

Tel: +48 (22) 556 75 91

Fax: +48 (22) 556 77 86

E-mail: intdoc@pkn.pl

Website: www.pkn.pl

Polish Information and Foreign Investment Agency, (PAIIZ)

Ul. Bagatela 12, 00-585 Warsaw

Tel: +48 (22) 334 98 00

Fax: +48 (22) 334 99 99

E-mail: invest@paiz.gov.pl

Website: www.paiz.gov.pl

Ministry of Foreign Affairs

Al. J. Ch. Szucha 23, 00-580 Warsaw

Tel: +48 (22) 523 90 00

Website: www.msz.gov.pl

Ministry of Infrastructure

4/6 Chałubiński Street, 00-928 Warsaw

Tel: +48 (22) 630 10 00

Website: www.mi.gov.pl

Ministry of the Treasury

Krucza 36 St. / Wspólna 6 St., 00-522 Warsaw

Tel. +48 (22) 695 80 00

Fax: +48 (22) 628 08 72

Website: www.mst.gov.pl

The Patent Office of Poland

PL 00-950 Warsaw, Al. Niepodległości 188, Poland (Postal only)

Tel: +48 (22) 579 02 20

E-mail: informacja@uprp.pl

Website: www.uprp.pl

Other useful contacts in Poland**Polish Bank Association**

Ul. Kruczkowskiego 8, 00-380 Warsaw

Tel: +48 (22) 486 81 80

Fax: +48 (22) 486 81 00

E-mail: kontakt@zbp.pl

Website: www.zbp.pl/

Foreign Investors Chamber of Industry and Commerce

ul. Pańska 73, 00-834 Warsaw

Tel: +48 (22) 314 75 75

Fax: +48 (22) 314 75 76

E-mail: biuro@iphiz.com.pl

Website: www.iphiz.com.pl

National Council of Agriculture Chambers

ul. Wspólna 30, 00-930 Warsaw

Tel: +48 (22) 623 21 65

Fax: +48 (22) 623 11 55

E-mail: sekretariat@krir.pl

Website: www.krir.pl/

Polish Commercial Chamber of Amber

ul. Wita Stwosza 73/116, 80-308 Gdańsk

Tel: +48 (58) 552 49 19

Fax: +48 (58) 552 49 19

E-mail: amberchamber@amberchamber.org.pl

Website: www.amberchamber.org.pl

Polish Chamber of Automotive Industry

ul. Grażyny 13, 02-548 Warsaw

Tel: +48 (22) 646 08 18

Fax: +48 (22) 845 25 73

E-mail: sekretariat@pim.org.pl

Website: www.pim.org.pl

Polish Chamber of Commerce for Electronics and Telecommunication

ul. Stepinska 22/30, 00-739 Warsaw

Tel: +48 (22) 840 65 22

Fax: +48 (22) 851 03 00

E-mail: kigeit@kigeit.org.pl

Website: www.kigeit.org.pl

Polish Chamber of Commerce of Furniture Manufacturers

Al. Stanów Zjednoczonych 51, room 614, 04/028 Warsaw

Tel: +48 (22) 517 78 39

Fax: +48 (22) 517 77 19

E-mail: oigpm@oigpm.org.pl

Website: www.oigpm.org.pl / www.meble.org.pl

Polish Chamber of Commerce of Importers, Exporters and Cooperation

ul. Św. Marcin 80/82, 61-809 Poznań

Tel: +48 (61) 851 78 48

Fax: +48 (61) 851 78 28

E-mail: izba@pcc.org.pl

Website: www.pcc.org.pl

Polish Chamber of Information Technology and Telecommunications

54 Koszykowa Str. 00-675 Warsaw

Tel: +48 (22) 628 22 60

Tel: +48 (22) 628 55 36

E-mail: biuro@piit.org.pl

Website: www.piit.org.pl

Polish Chamber of School and Office Products Trade (IPBBS)

ul. Sienna 86 lok. 138, 00-815 Warsaw

Tel: +48 (22) 401 13 22

Fax: +48 (22) 401 23 22

E-mail: biuro@ipbbs.org.pl

Website: www.ipbbs.org.pl

Polish Chamber of Shoe and Leather Industry

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