

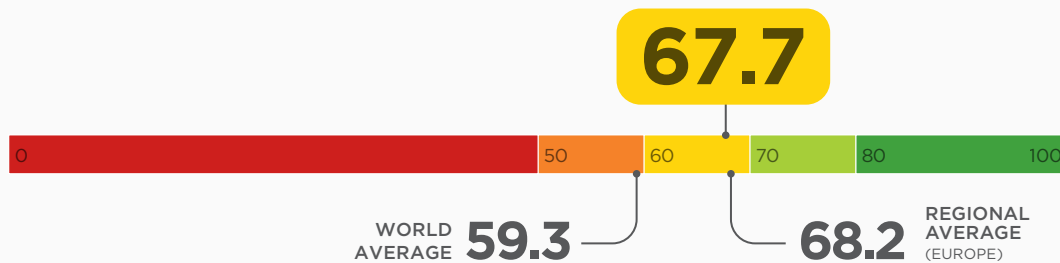


POLAND

Poland's economic freedom score is 67.7, making its economy the 40th freest in the 2023 *Index*. Its score is 1.0 points lower than last year. Poland is ranked 23rd out of 44 countries in the Europe region, and its overall score is above the world average.

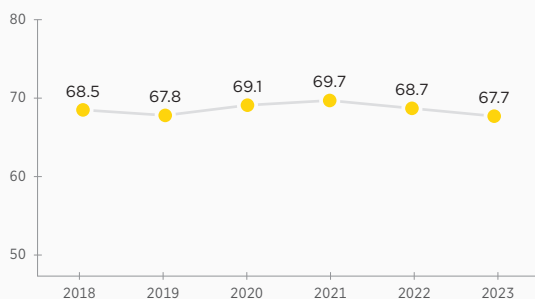
The economy performs relatively well in many areas of economic freedom. With a competitive business climate supported by political stability, Poland has a dynamic business environment. Commercial operations are aided by regulations that support open-market policies. However, institutional weaknesses still prevent more dynamic growth. The accumulation of large fiscal deficits risks undermining long-term competitiveness.

ECONOMIC FREEDOM SCORE



HISTORICAL *INDEX* SCORE CHANGE (SINCE 1995): +17.0

RECENT FREEDOM TREND



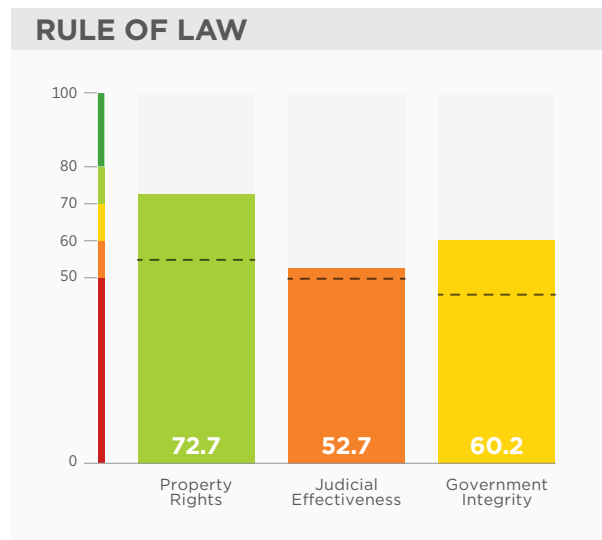
QUICK FACTS

POPULATION: 37.8 million	UNEMPLOYMENT: 3.2%
GDP (PPP): \$1.4 trillion 5.7% growth in 2021 5-year compound annual growth 3.6%	INFLATION (CPI): 5.1%
FDI INFLOW: \$24.8 billion	PUBLIC DEBT: 53.8% of GDP

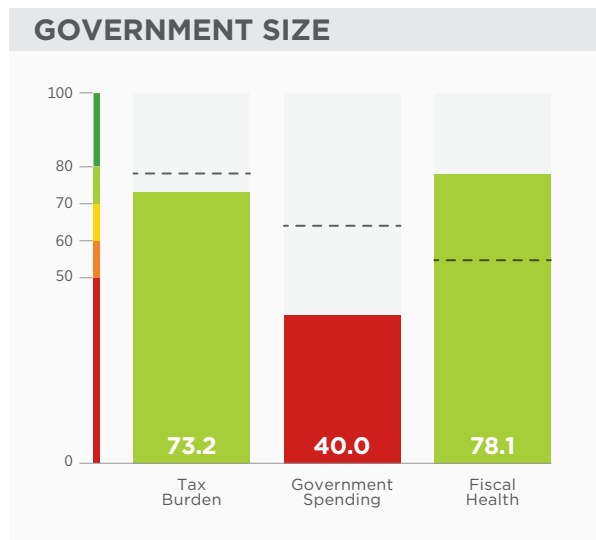
2021 data unless otherwise noted. Data compiled as of September 2022

BACKGROUND: Poland played a pivotal role in ending Soviet domination of Eastern Europe and is a member of NATO and the European Union. The conservative and Euroskeptic Law and Justice Party (PiS) increased its parliamentary majority in 2019, and President Andrzej Duda of the PiS won reelection in 2020. Poland's support for Ukraine includes delivery of weapons, hosting of refugees, and serving as a staging ground for donated aid and supplies. Close Polish-U.S. cooperation remains key as the EU continues to withhold funds. Tensions exist between Poland's poorer and rural eastern region and its more prosperous and industrialized western region.

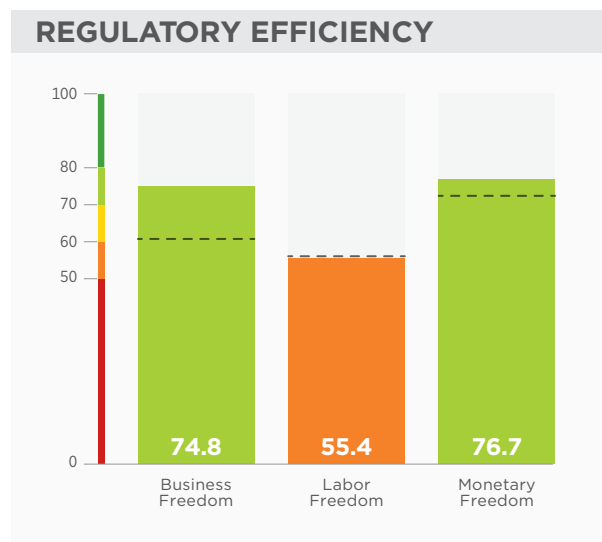
12 ECONOMIC FREEDOMS | POLAND



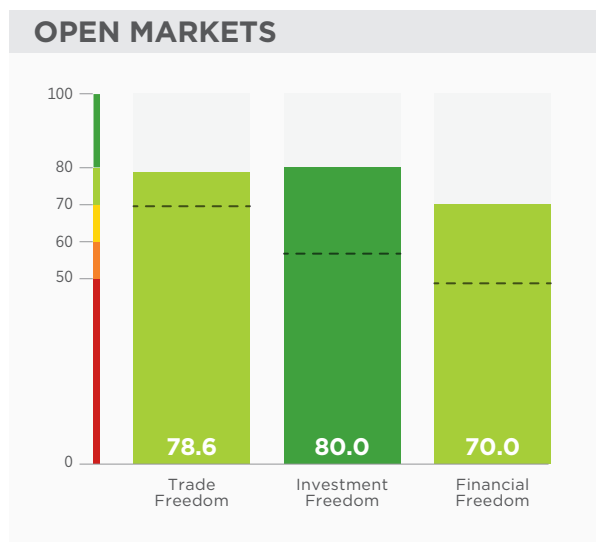
The overall rule of law is relatively well respected in Poland. The country's property rights score is above the world average; its judicial effectiveness score is above the world average; and its government integrity score is above the world average.



The top individual and corporate tax rates are, respectively, 32 percent and 19 percent. The tax burden equals 36.0 percent of GDP. Three-year government spending and budget balance averages are, respectively, 44.7 percent and -3.2 percent of GDP. Public debt equals 53.8 percent of GDP.



Measures have been taken to further streamline business start-up procedures and facilitate private-sector development, but the pace of reform has slowed. Labor codes are relatively stringent, and unions exercise considerable influence on labor issues. The most recent available inflation rate is 5.1 percent.



The trade-weighted average tariff rate (common among EU members) is 3.2 percent, and more than 600 EU-mandated nontariff measures are in force. Foreign investment is welcome, but foreign ownership in selected strategic sectors is limited. The financial sector continues to expand.