

Republic of Poland

Rating report

Rating rationale

Strong macroeconomic fundamentals: Poland benefits from a large and diversified economy, supported by strong private consumption, a flexible labour market, and a competitive manufacturing base integrated into European value chains. The country has maintained solid growth and macroeconomic stability over the past decade, demonstrating resilience through external shocks such as the pandemic and elevated inflation. We project GDP growth at 3.1% in 2025, supported by robust private consumption, underpinned by real income gains and a strong labour market, fading inflationary pressures and a marked acceleration in investment, reflecting stepped-up absorption of EU RRF funds.

Robust medium-term growth outlook: Poland's potential growth remains high by EU standards. We expect Poland's economic growth to remain solid over 2026–2030, though it is projected to gradually moderate to around 2.7% by 2030. While the scope for further rapid productivity gains is narrowing, Poland continues to benefit from a dynamic economy and labour productivity gains, driven by structural shifts toward more productive services. Demographic pressures, including a shrinking working-age population, will weigh on growth, although this is partially offset by the rising labour force participation and positive net migration, particularly from Ukraine.

Moderate level of public debt: Despite recent fiscal loosening, Poland's general government debt remains moderate at 55.3% of GDP in 2024, below the EU average, supported by active debt management. We expect debt to increase over coming years but stabilise at around 66% of GDP in 2029. A significant cash buffer of 5% of GDP and access to a deep domestic capital market mitigate refinancing risks.

Rating challenges: i) elevated fiscal deficits, higher interest payments and a rising debt trajectory; and ii) persistent political polarisation risking legislative gridlock and weighing on policy predictability and governance effectiveness.

Figure 1: Poland's sovereign-rating drivers

Risk pillars		Quantitative		Reserve currency*	Political risk**	Qualitative****	Final rating
		Weight	Indicative rating	Notches	Notches	Notches	
Domestic economic risk		35%	aaa	PLN	Poland	1/3	A
Public finance risk		20%	a-			0	
External economic risk		10%	bb-			- 1/3	
Financial stability risk		10%	aaa			0	
ESG risk	Environmental factors	5%	bb+	[+0]	[-0]	- 1/3	
	Social factors	7.5%	b-			0	
	Governance factors	12.5%	a-			- 1/3	
Sovereign Quantitative Model***		a+				-0	
Additional considerations						0	

*The reserve-currency quantitative adjustment applies to currencies in the IMF's Special Drawing Rights (SDR) basket.

**The political-risk quantitative adjustment is based on the World Bank's Political Stability & Absence of Violence/Terrorism index.

***Scope's SQM signals an indicative credit rating of 'a+' for Poland, which was approved by the rating committee.

****The qualitative scorecard analyst adjustments, capped at one notch per rating pillar, are weighted equally with an aggregate adjustment rounded to the nearest integer. For details, please see Scope's [Sovereign Rating Methodology](#). Source: Scope Ratings.

Foreign currency

Long-term issuer rating/Outlook

A/Stable

Senior unsecured debt

A/Stable

Short-term issuer rating/Outlook

S-1/Stable

Local currency

Long-term issuer rating/Outlook

A/Stable

Senior unsecured debt

A/Stable

Short-term issuer rating/Outlook

S-1/Stable

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Credit strengths and challenges

Credit strengths

- Strong macroeconomic fundamentals
- Robust economic-growth potential
- Moderate public debt, deep domestic capital markets

Credit challenges

- Elevated fiscal deficits
- Political polarisation weighing on governance effectiveness

Outlook and rating triggers

The Stable Outlook reflects Scope's view that risks to the ratings are balanced.

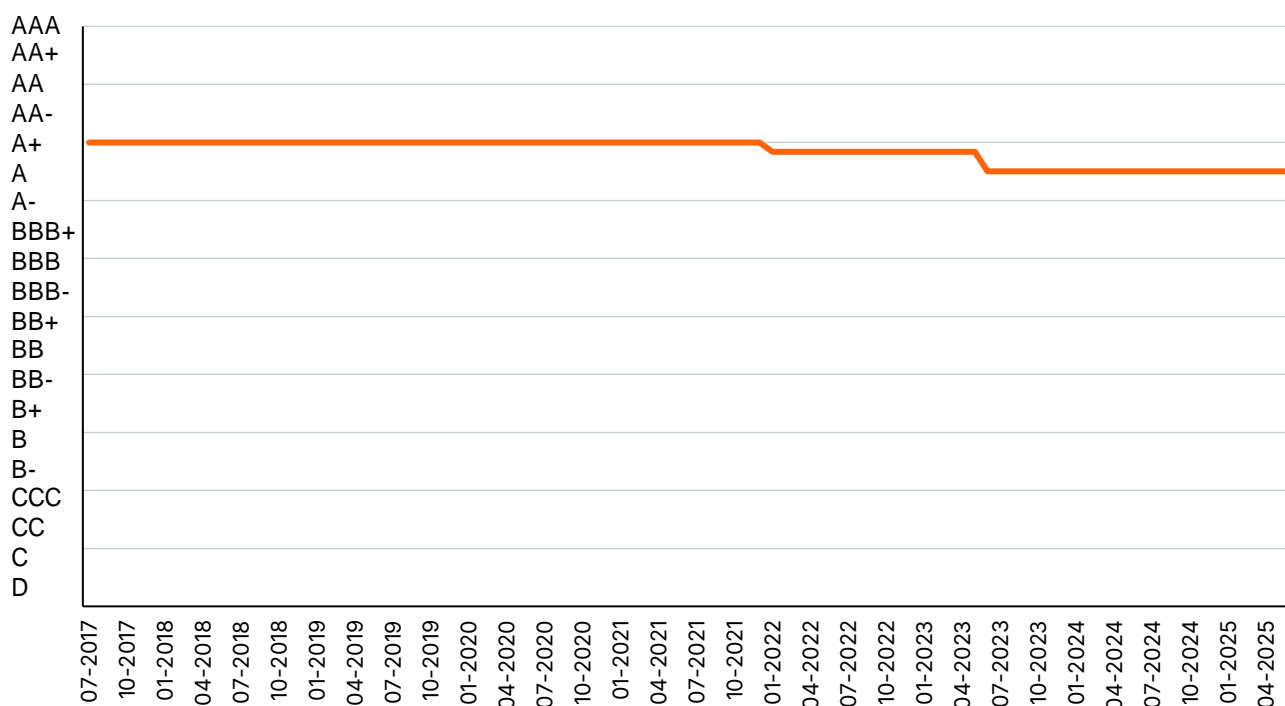
Positive rating-change drivers

- The economy's external balance sheet further strengthens materially
- Fiscal performance improves, supporting a structurally declining trajectory for the government debt ratio
- Social and environmental risks are significantly redressed, enhancing long-run sustainable growth

Negative rating-change drivers

- Weaker budgetary outcomes result in a substantial rise in the public debt trajectory
- Weaker economic growth significantly undermines Poland's external-sector risk profile
- Political polarisation and/or governance challenges curb the government's ability to implement reforms and/or absorb EU funds

Figure 2: Rating history



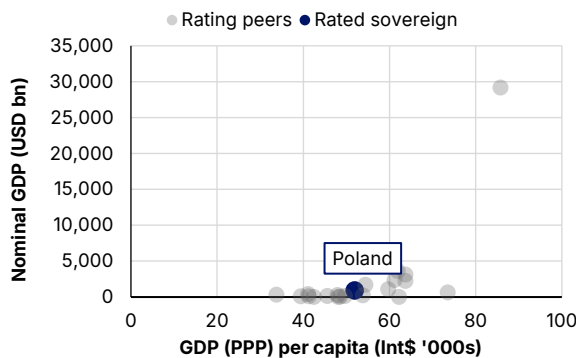
Foreign-currency long-term issuer rating. Positive/Negative Outlooks are treated with a +/-0.33-notch adjustment. Credit Watch positive/negative with a +/-0.67-notch adjustment. Source: Scope Ratings.

Domestic economic risk

Overview of Scope's assessments of Poland's Domestic Economic Risk

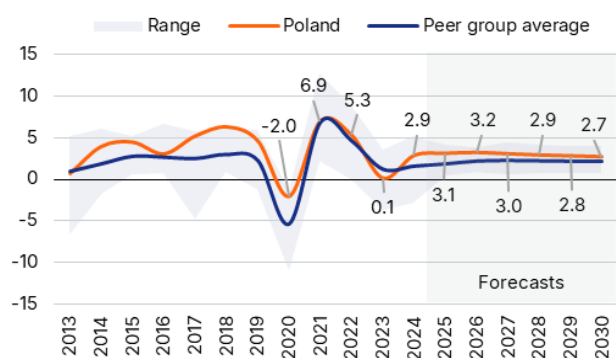
SQM ¹ indicative rating	Analytical component	Assessment	Notch adjustment	Rationale
aaa	Growth potential and outlook	Neutral	0	Robust growth potential; declining trend in long-term growth drivers
	Monetary policy framework	Neutral	0	Appropriate monetary policy stance; effective inflation control and relatively deep local currency debt markets
	Macroeconomic stability and sustainability	Strong	1/3	Large, diversified economy and competitive export base; long-run sustainability of growth reliant on foreign financing

Figure 3: Nominal GDP and GDP per capita (2024E)



Source: IMF World Economic Outlook (WEO), Scope Ratings

Figure 4: Real GDP growth, %



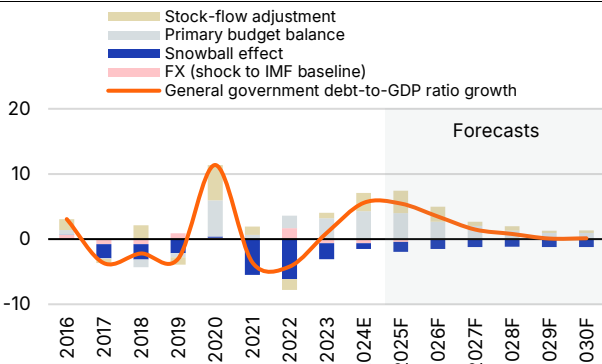
Source: IMF WEO, Scope Ratings forecasts

Public finance risk

Overview of Scope's assessments of Poland's Public Finance Risk

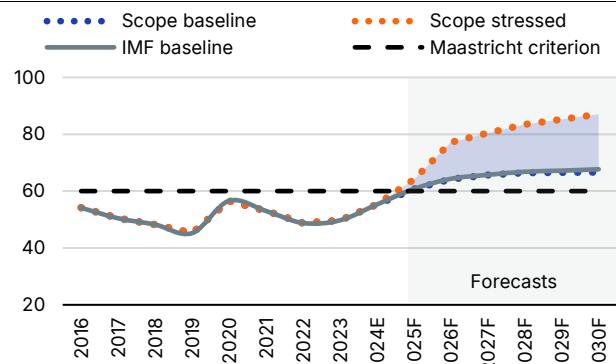
SQM indicative rating	Analytical component	Assessment	Notch adjustment	Rationale
a-	Fiscal policy framework	Neutral	0	Fiscal dynamics are hindered by structural social spending, rising interest payments and wages, investments in green and digital transitions, and growing defence requirements; ongoing EDP
	Long-term debt trajectory	Neutral	0	Comparatively moderate debt levels and more benign longer-run ageing-related spending pressures; rise expected in public indebtedness over the forecast horizon
	Debt profile and market access	Neutral	0	Moderate average maturity of treasuries; foreign-exchange risks; borrowing rates above peer-group averages; deep domestic capital markets

Figure 5: Contributions to change in debt levels, pps of GDP



Source: IMF WEO, Scope Ratings forecasts

Figure 6: Debt-to-GDP forecasts, % of GDP



Source: IMF WEO, Scope Ratings forecasts

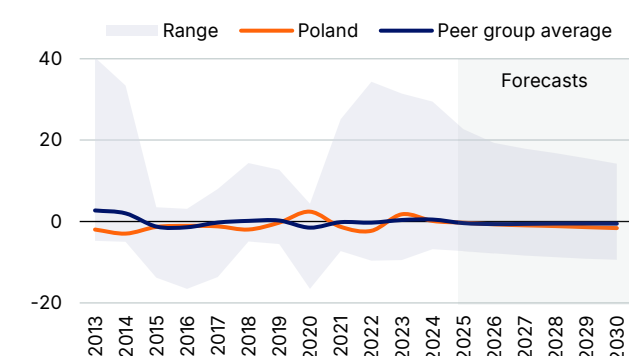
¹ Sovereign Quantitative Model

External economic risk

Overview of Scope's assessments of Poland's External Economic Risk

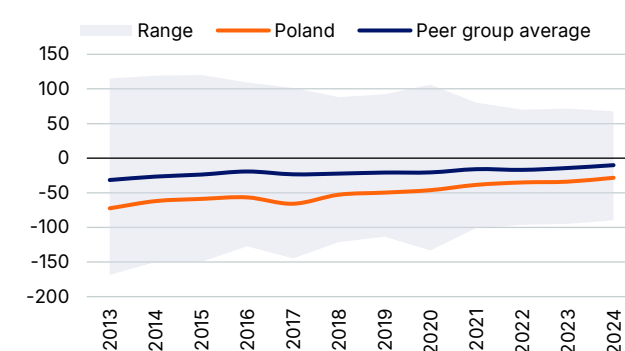
SQM indicative rating	Analytical component	Assessment	Notch adjustment	Rationale
bb-	Current account resilience	Neutral	0	High services surplus sustains the current account; slight deficits expected ahead due to rising imports from domestic demand
	External debt structure	Neutral	0	Moderate levels of external debt; significant share of external debt that is inter-company lending
	Resilience to short-term external shocks	Weak	- 1/3	Moderate even if improving levels of reserves, only moderate reserves coverage of foreign-currency liabilities for stressed economic scenarios

Figure 7: Current-account balance, % of GDP



Source: IMF WEO forecasts, Scope Ratings

Figure 8: Net international investment position (NIIP), % GDP



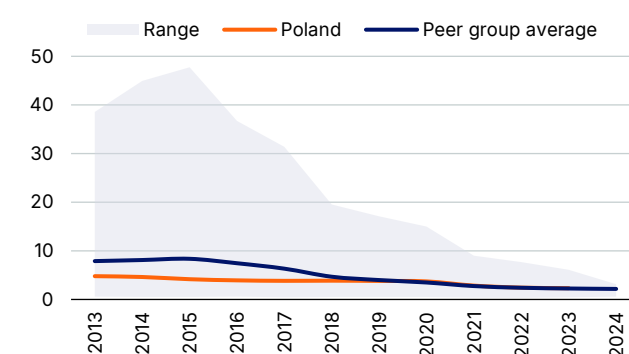
Source: IMF, Scope Ratings

Financial stability risk

Overview of Scope's assessments of Poland's Financial Stability Risk

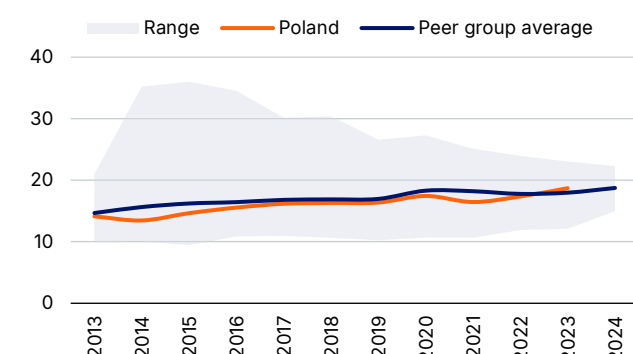
SQM indicative rating	Analytical component	Assessment	Notch adjustment	Rationale
aaa	Banking sector performance	Neutral	0	Well-capitalised and liquid banking sector; NPLs have declined; profitability has improved
	Financial sector oversight and governance	Neutral	0	Effective supervision; timely and comprehensive regulatory measures taken
	Financial imbalances	Neutral	0	Still-significant but declining foreign-currency exposures in the banking system

Figure 9: NPLs, % of total loans



Source: World Bank (WB), Scope Ratings

Figure 10: Tier 1 capital, % of risk-weighted assets



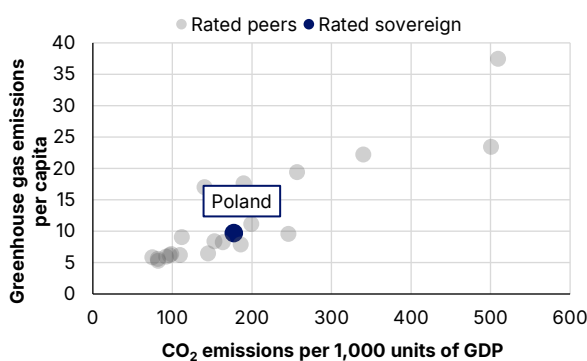
Source: IMF, Scope Ratings

Environmental, Social and Governance (ESG) risk

Overview of Scope's assessments of Poland's ESG Risk

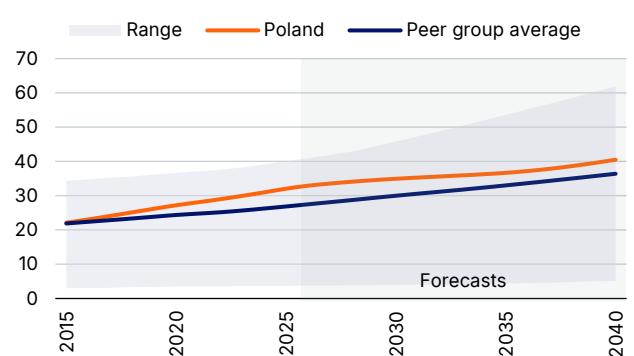
SQM indicative rating	Analytical component	Assessment	Notch adjustment	Rationale
bbb-	Environmental factors	Weak	- 1/3	High per capita emissions and carbon intensity of the economy, structural change remains slow
	Social factors	Neutral	0	Elevated poverty, elevated income inequality, adverse demographics
	Governance factors	Weak	- 1/3	Weak governance indicators amid political polarisation; geopolitical risks associated with the Russia-Ukraine war.

Figure 11: CO₂ emissions per GDP, mtCO₂e (2023)



Source: European Commission (EC), Scope Ratings

Figure 12: Old-age dependency ratio, %



Source: United Nations (UN), Scope Ratings

Reserve-currency adjustment

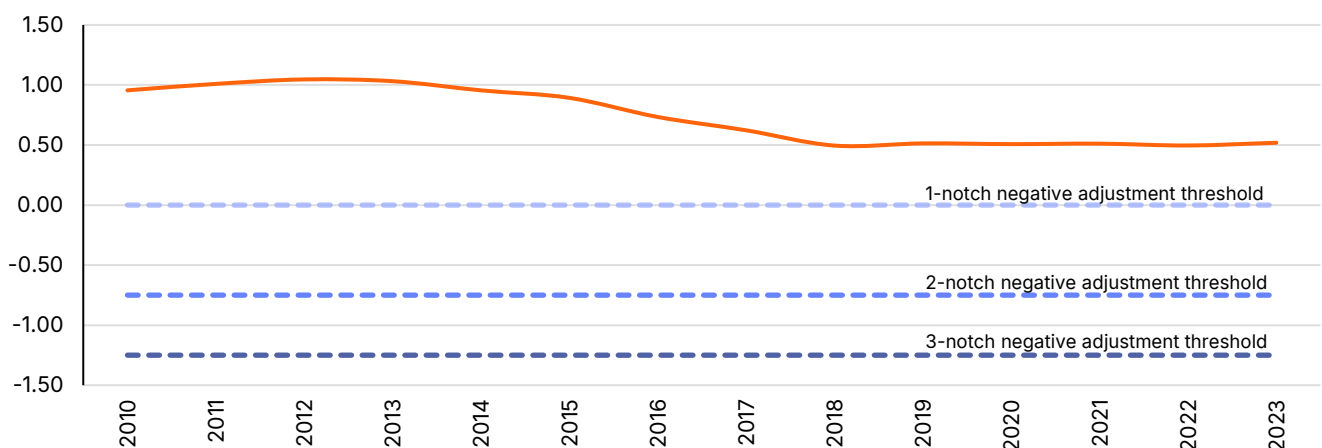
IMF SDR basket and Scope reserve-currency adjustment

Currency	U.S. dollar	Euro	Chinese yuan	Japanese yen	Pound sterling	Other
IMF SDR basket weights, %	43.4	29.3	12.3	7.6	7.4	0.0
Positive adjustment, notches	3	1	1	1	1	0

Source: IMF, Scope Ratings

Political-risk adjustment

Figure 13: WB Political Stability & Absence of Violence/Terrorism index, Poland, three-year moving average



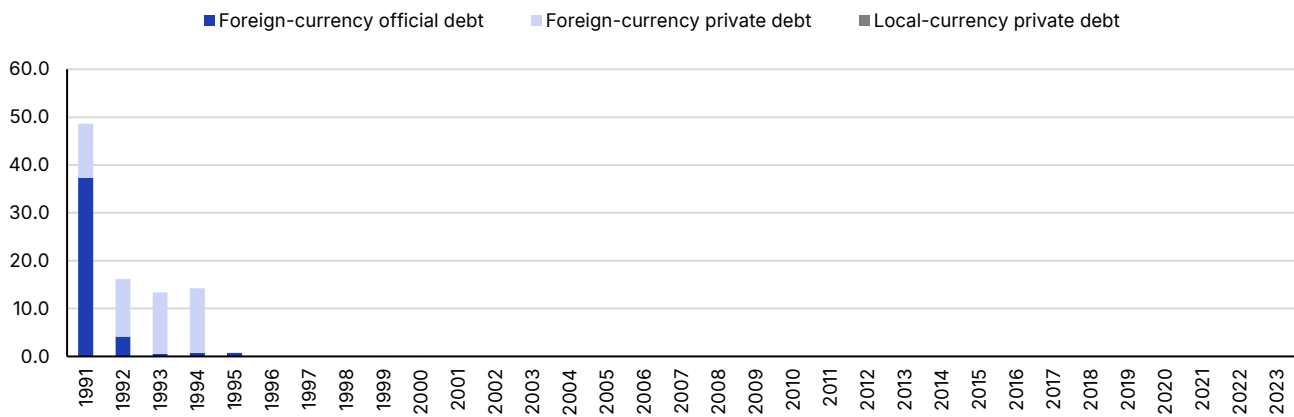
Source: WB, Scope Ratings

Additional considerations

No adjustment was applied to the rating from additional considerations.

Appendix 1. Sovereign default history

Sovereign default history, USD m



Depicted private-debt defaults may not always constitute a credit event under [Scope's credit-rating definitions](#).
Source: [Bank of Canada–Bank of England Sovereign Default Database](#), Scope Ratings.

Appendix 2. Rating peers

Rating peers are related to sovereigns with an indicative rating in the same rating category or adjacent categories, as assigned by Scope's sovereign quantitative model after accounting for methodological reserve-currency and political-risk adjustments.

Peer group*	
Bulgaria	Latvia
Croatia	Portugal
Cyprus	Slovakia
Estonia	Spain

*Select publicly-rated sovereigns only; the full sample of sovereign-rating peers may be larger.

Appendix 3. Economic development and default indicators

IMF Development Classification	Emerging market and developing economy
5y USD CDS spread (bps) as of 12 June 2025	73

Appendix 4. Statistical table for selected SQM indicators

This table presents a selection of the indicators (24 out of 30 – with the governance indicator reflecting a composite of five indicators) used in Scope's quantitative model, in line with Scope's Sovereign Rating Methodology. The metrics and sources for the data presented here ensure comparability across global country peers and may therefore differ from data from national and other select international statistical series.

Pillar	Core variable	Source	2019	2020	2021	2022	2023	2024
Domestic Economic	GDP per capita (PPP), Int\$ '000s	IMF	35.9	36.7	41.7	47.2	49.2	52.0
	Nominal GDP, USD bn	IMF	603	606	689	696	810	909
	Real growth, %	IMF	4.6	-2.0	6.9	5.3	0.1	2.9
	CPI inflation, %	IMF	2.3	3.4	5.1	14.2	11.5	3.7
	Unemployment rate, %	WB	3.3	3.2	3.3	2.8	2.7	-
Public Finance	Public debt, % of GDP	IMF	45.2	56.6	53.0	48.8	49.7	55.3
	Net interest payment, % of government revenue	IMF	3.3	3.2	2.6	3.8	5.0	5.4
	Primary balance, % of GDP	IMF	0.6	-5.6	-0.7	-1.9	-3.2	-4.3
External Economic	Current-account balance, % of GDP	IMF	-0.3	2.4	-1.3	-2.3	1.8	0.1
	Total reserves, months of imports	WB	4.6	5.8	4.8	4.3	4.9	-
	NIIP, % of GDP	IMF	-49.8	-46.2	-38.6	-35.1	-33.9	-28.3
Financial Stability	NPL ratio, % of total loans	IMF	3.8	3.7	2.9	2.4	2.3	-
	Tier 1 ratio, % of risk-weighted assets	IMF	16.2	15.8	17.5	15.8	17.7	18.3
	Credit to the private sector, % of GDP	WB	50.2	49.3	45.7	39.3	34.8	-
ESG	CO ₂ per EUR 1,000 of GDP, mtCO ₂ e	EC	214.1	207.9	212.0	196.7	177.5	-
	Income share of bottom 50%, %	WID	19.8	19.7	19.7	19.7	19.7	-
	Labour-force participation rate, %	WB	70.8	71.1	73.0	73.7	74.7	74.8
	Old-age dependency ratio, %	UN	26.2	27.2	28.1	29.0	29.9	31.0
	Composite governance indicators*	WB	0.6	0.6	0.5	0.5	0.6	-
	Political stability, index	WB	0.5	0.5	0.5	0.5	0.5	-

*Average of the following five World Bank Worldwide Governance Indicators: Control of Corruption, Voice and Accountability, Rule of Law, Government Effectiveness, Regulatory Quality.

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Applied methodologies

[Sovereign Rating Methodology](#), January 2024

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