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FINTECH IN POLAND

FLANDERS INVESTMENT & TRADE MARKET SURVEY

FINTECH IN POLAND

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1. WHAT IS FINTECH?

Financial Technology is one of the most innovative, increasingly important and potentially the most rapid change in financial services revolutionising the way financial services firms operate and transforming debt and equity markets, payments, credit assessment, regulatory compliance, personal finance and many other facets of financial services. Although some may think that **FinTech** is just another “buzzword”, but that technology creates the possibility to dramatically reshape finances all over the world. Digitisation is taking place in all areas of business and life, transforming services, and creating new ones accelerated by new FinTech companies.

The term **FinTech**, which is the short form of the phrase **financial technology**, denotes companies or representatives of companies that **combine financial services with modern, innovative technologies**. As a rule, new participants in the market offer Internet-based and application-oriented products. **Fintechs** generally aim to attract customers with **products and services that are more user-friendly, efficient, transparent, and automated than those currently available**. Traditional banks have not yet exhausted the possibilities for improvements along these lines. In addition to offering products and services in the banking sector, there are also fintechs that distribute insurance and other financial instruments or provide third party services. In a generous sense of the term, “**FinTech**” encompasses companies that simply provide the technology (such as software solutions) to financial service providers.

2. POLISH FINTECH

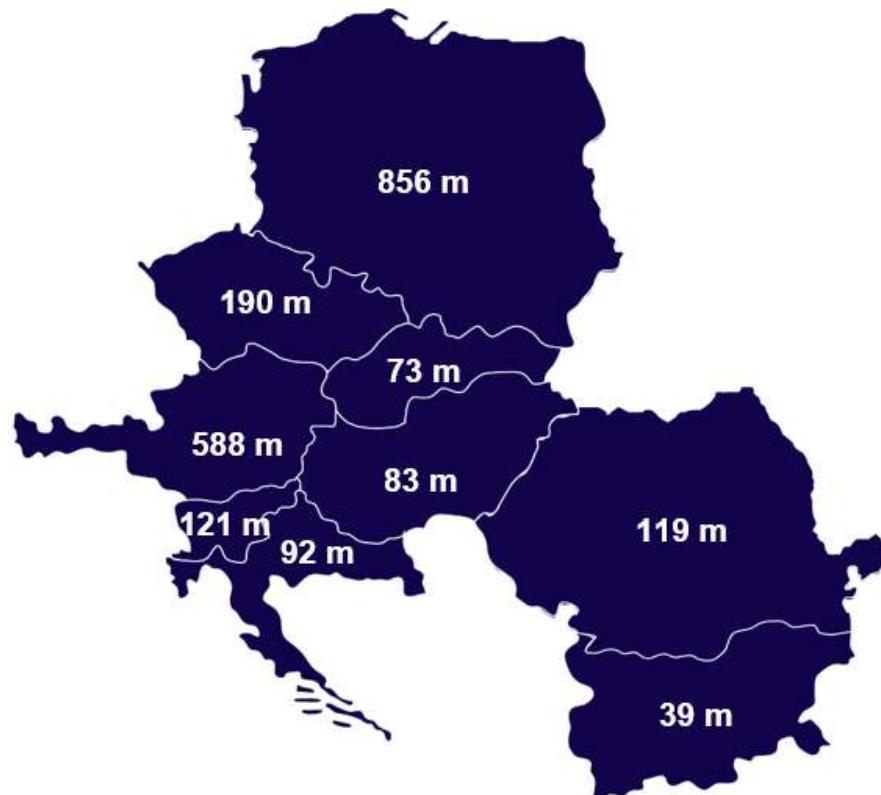
East-Central Europe occupies an important place on the global map of innovative financial solutions; the estimated value of the sector is 2.2 billion Euro. **Poland is the biggest FinTech market in Central and Eastern Europe**, with an estimated value of € 856 million. **Warsaw**, home to nearly 45% of startups in the country is also a hub of financial technology in the region. The Global Financial Centres Index (GFCI) ranks capital of Poland as **the 12th most competitive major Financial Centre in CEE, and 45th in the world**.

Just 5 years ago (2013) the term “FinTech” was not widely known in Poland. Despite this, local financial institutions were one of the most innovative in Europe. It hasn't changed since then. The 'Welcoming Innovation Revolution' report by GE Global Innovation Barometer 2016 shows clearly that 83% of Polish companies are highly interested in new technologies. And 2018's edition of the report proves that the innovations in Poland are driven mainly by SME's.

The banks are great examples of ventures that are driving innovation. They constantly invest in improvements and novelties in various areas, such as modern sales channels (including online channels), remote client service technologies, digitalization of traditional branches or new payment methods.



As a result, about 15.5 million Poles uses banking services online at least once a month, according to Polish Bank Association. The use of mobile banking technologies is widely spread too.



Map of FinTech value in CE Europe countries

Poland is also one of the most attractive markets in terms of outsourcing. Currently, there are 524 foreign companies with Business Process Outsourcing (BPO), Shared Services Centres (SSC) and Research and Development hubs (R&D) employing over 244.000 people (according to ABSL). One of the crucial elements of the Polish BPO industry is outsourcing for global financial institutions.

That's why names like Credit Suisse, Citi and UBS have made Poland their home for all outsourcing and Customer Support. It's speculated that Brexit will not only increase the workload for these 'back-offices' in Poland and the CEE region but also accelerate the relocation of middle-office services. For example one of the prime global banks, JP Morgan Chase, plans to run their operation and risk management processes in a newly extended centre that is being extended to 5000 professionals.



Poland is properly poised to be the major European FinTech hub attracting foreign entrepreneurs to come and run their business here.

HAVE YOU RUN ANY OF FOLLOWING OPERATIONS WITHIN LAST 12 MONTHS USING A MOBILE DEVICE?



Appendix: The question was asked only to mobile device users

Source: 'Finance Barometer ING', 2017

One of the greatest assets of the Polish FinTech scene is a **human capital and highly skilled IT professionals**. The great potential has been already spotted by leading technology providers. In 2015 Google opened its Campus Warsaw which was the 5th in the world and 1st in the CEE region. Another incubator was opened by Microsoft in 2017 under the auspices of the Polish prime minister.

This shows the shift in the administration's approach to FinTech. It is still not as friendly as in the leading FinTech hubs, e.g. the UK - however, a lot has changed in last few months. The Financial Authority (Financial Supervision Commission – KNF) has settled the strategic partnerships with their counterparts in Singapore, Taiwan, and Hong Kong. Also since the beginning of 2018, FinTech entities can benefit from the Innovation Hub programme by KNF which supports them in identifying relevant regulatory requirements.

There is also a number of **programmes by state agencies for startups**, just to mention "#StartInPoland" by the Ministry of Development and the Innovation Council or a "ScaleUp" by Polish Agency or Enterprise Development.

The climate for FinTech in traditional financial institutions is positive and still improving. This is because of the maturity of the banking sector and their level of advancements. **Banking industry in CEE, especially Poland and Czech Republic, is more technologically advanced than in Western Europe**. That translates to types of innovations in both regions.



In 2017, five Polish banks conducted **an assessment of FinTech projects**, according to their business strategy and risk level:

Alior Bank - HugeThing.vc	
ING Bank Śląski - Akcelerator ING	
mBank - mAkcelerator	
Pekao SA - Spoleczny Startup	
PKO BP - Let's FinTech with PKO Bank Polski	

As acceleration programmes are **dedicated to FinTech ventures in pre-seed and seed stage**, the more mature entities can benefit from direct investments by banks. That possibility, however, applies only to companies providing solutions that banks would like to implementing a very close and exclusive cooperation and which may be strongly correlated with banks' strategies.

3. Key FinTech Subsectors in Poland

In Poland there are more than 100 companies innovating the Polish FinTech. Together, all major worldwide sectors are represented as **electronic payments, financial platforms, loans, credits, cryptocurrencies, transactions, data analysis (credit scoring), machine learning, crowdfunding and P2P**.

There are three main subsectors for FinTech: banking, insurance and payments.



WHAT IS YOUR MAIN AREA OF BUSINESS ACTIVITY?



Source: 'FinTech in Poland. Barriers and chances'. FinTech Poland Foundation and Obserwatorium.biz, 2016.

The majority of services are intended to be used by other companies (B2B) or banks themselves. Only half of the FinTech ventures dedicate any of their services and/or products to consumers. This is not surprising, as **76% of Polish startups provide B2B services**, according to the Startup Poland Foundation. Polish FinTech companies focus mainly on a domestic market but simultaneously try to **launch their product in foreign markets**. The size of the local market is big enough to let FinTech ventures generate a significant income, but on the other hand it's too small to be meaningful on a global scale. Polish FinTech companies look for cooperation with entities in West Europe and with the USA.

3.1 BANKING

In recent years, Poland has become a regional leader in technologically advanced, pioneering solutions in the **banking sector**. Mobile is emerging as an essential channel for Polish customers. According to the ING International Survey 2015, 60% of smartphone users have already used mobile banking or expect to use it. This is the third best score in Europe – right behind the Netherlands (67%), the UK (63%) and on a par with Spain. It indicates that mobile banking services have enormous potential for growth in the coming years. On the other hand, 38% of established retail banks in Poland still do not offer their services through the mobile channel, neither via a dedicated app nor a website based on "lite" / RWD (responsive web design) architecture.

In response to shifting customer behaviour, particularly the strong preference towards self-service instead of branch visits, banks have been forced to start building eminence, capabilities and finally excellence in their digital offering. An example of one of the most innovative banks in Poland is mBank, which started with a **fully branchless model**, and is currently hailed as "the icon of mobility". To keep up with the digital



revolution and stay at the forefront of banking innovation (being first fully-fledged virtual bank in Poland), mBank decided to upgrade its e-banking platform to provide customers with a state-of-the-art experience, look and feel. Among numerous cutting-edge functionalities, it is worth mentioning its real-time financial advice (both video and chat), virtual store, integrated personal finance management features, gamification, social media integration, and real-time credit scoring. All these features are available through its RWD website and most of them are supported through a native mobile application.

Key Points

- Polish banks lead the regional pack in terms of innovation
- Key players are following digital market trends and delivering high-quality user experience backed by smart functionality
- Large IT vendors dominate the market
- Growing awareness and customer expectations are driving the need for alternative approaches to banking services

3.2 INSURANCE

In recent years, the FinTech buzz has mainly centred on the banking industry. However, insurers are being forced to catch up in order to address changing consumer preferences: three out of every four representatives of **insurance companies in Poland believe that the revolution in IT systems will have a huge impact on the insurance sector** in years to come. Most admit that they are not well prepared for change, however.

Although it seems that innovation-driven change is finally set to dawn upon the insurance sector, insurers today tell us that they are concentrating on non-client facing IT systems, mainly on the back-office side. Executives believe that the market lacks vendors specializing in the “as-a-service” model offering. As most core insurance systems are delivered by global vendors like Genesis and Guidewire, there is clearly space for firms delivering single modules. Insurers would welcome an offering, based on the SaaS platform, delivering insurance-specific seamless modules such as compliance and data collection.

However, insurers in Poland are one by one starting to jump on the FinTech bandwagon. Their primary focus is on modifying and developing sales channels (especially direct) and responding to the emergence



of online price comparison engines like [Rankomat](#) and [Comperia](#). And, as mobile phones become a significant part of an average customer's everyday life, insurers need to respond.

There are examples of the entire insurance process being managed end-to-end on a smartphone: from purchase, through damage reporting, up to appraisal and tracking the claims process, including communication with the damage assessor. An example would be [Warta Mobile](#) launched by Poland's third biggest insurer. Here, the application is integrated with the direct claims settlement system. Each document transmitted by the client using a smartphone is therefore placed automatically in the electronic briefcase, so allowing the damage assessor to respond immediately.

Mobile functionalities are also used in private health insurance, to facilitate making doctors' appointments. This kind of service is shared through the mobile app of [PZU](#) (the state-owned leading insurer in Poland).

Key Points

- IT will drive the development of insurance sector in the coming years
- Smartphone apps facilitate the entire insurance process
- Internet of Things and gamification are two key trends in Poland

3.3 PAYMENTS

Cash payments in Poland are definitely in decline. A decrease in the interchange fee in 2015 (currently 0.2% on debit cards and 0.3% on credit cards) helped popularise card payments even for low-value transactions. The wide acceptance of contactless cards (currently around 80%, up from 34% in 2011) is driving the dynamic development of the POS infrastructure. At the same time, the value of m-commerce grew more than fourfold between 2013 and 2015 (exceeding € 0.5 billion) and is forecast to grow at an annual rate of around 40% in years to come.

With the e-commerce market growing rapidly, by around 20% each year, the need for user-friendly, intuitive and secure payment solutions is evident. Among the numerous internet payment companies, the best known were created by Polish companies: [PayU](#) (a subsidiary of [Allegro](#) - the biggest e-commerce company in Poland – currently owned by the South African Naspers), [DotPay](#), [Przelewy24](#) and [TPay](#). International players



such as PayPal, Mobiamo, Paysafecard, EcoCard and MINT are less popular; an exception is FirstData (previously Polish Polcard, which was already widely popular by the time of acquisition).

Poles took to the pay-by-link format (the second most popular payment method in e-commerce), where a dedicated link brings the e-buyer to their banking service provider's log-in page. After the client authenticates him/herself, all the transfer details are already prepopulated, with the transfer order ready for authorisation, by an SMS code among other options. Such a payment format is proven to be faster than traditional transfers and card payments, and resonates well with the entire e-commerce process.

The banking sector has tapped into a prospective m-payment market: the top **six Polish banks have joined forces to deliver a common, national m-payment service called BLIK**. The application is integrated with the banking apps of the founding institutions. The system is based on one-off authorisation codes and functions outside of the Visa and MasterCard payment schemes.

It is interesting to note that **Polish banks are also joining forces to set up a national payment card** based on the national payment scheme. This poses a direct threat to established players like Visa and MasterCard, since their products could be gradually bypassed.

In 2015, the Polish start-up Billon launched the public pilot phase of an innovative project – implementing **e-money**. This will be the first legal (created by the banks) e-currency based on Bitcoin “blockchain” technology. The main advantages of the solution include decreased processing costs (by 90%), complete security (blockchain technology) and independence from any particular TMT technology.

The only thing needed to join the Billon network is a smartphone. NFC technology is not necessary, as payments can be processed with the use of Bluetooth or Wi-Fi. Billon intends to promote banking inclusion for those who cannot, or do not want to, open a bank account. Participants in the pilot phase include two Polish banks (Alior Bank and Plus Bank) and the eCard payment services provider. Billon is integrated with the established financial system, so its e-money can already be acquired in 15,000 retail outlets as well as transferred via a banking account.

The Polish market is not oblivious to the **cryptocurrency** either. InPay was created out of the need to enable customers to pay by Bitcoins in circumstances where they used to pay by regular currency. Lower commissions and shorter processing times have attracted a growing number of customers (currently over 20.000). The solution requires customers to download a separate app serving as a Bitcoin wallet and is so far limited to transactions under PLN 5.000 (a little over EUR 1.000). Time will tell whether the blockchain-based Billon and Bitcoin will gain popularity in Poland.

The proliferation of **loyalty programmes**, club points and other plastic cards kept by customers in their wallets prompted the founders of ZenCard to integrate the payment process with bonus collection. This replaced the need to fill out forms, remember the card number or go through the process of customer verification to collect shopping points. Compatible with cards from the top three issuers (MasterCard, Visa and American Express), the solution is already available in selected stores in Poland. Current retail trends



and observations from the West support the view that the payment card should and could be more than just a physical link to a bank account.

Host Card Emulation (HCE) is a new NFC **cloud-based payment standard**. Customers do not need to be bound to any specific mobile network operator (because MNOs are not involved in the payment process, which bypasses the SIM card). Instead, the payment data is stored on the bank's servers and the details of payment card are kept in the mobile app. To date, five Polish banks have adopted HCE: first Pekao SA, followed by PKO BP, Santander Poland, Eurobank and Getin. The biggest Polish bank – PKO BP – launched HCE in its mobile banking app (IKO) in partnership with Visa in January 2016. In March 2016, in a global first, Pekao Bank delivered HCE technology for users of Windows 10 mobile devices.

On the vendor side, FirstData has launched its First DataTMMobile Platform (banking software that enables the servicing of HCE payments). Eurobank carried out the first implementation on the European market. The solution facilitates the end-to-end functionality of a virtual card. It is interesting to note that FirstData used Polish specialists to design, develop and launch the platform. Poland will also become a regional (EMEA) centre of expertise supporting the solution.

With **60% of Poles saying they are interested in mobile payments**, 83% of POS accepting the NFC standard, and the strong development of contactless payments in various forms (cards, stickers, keyrings etc.), HCE technology is clearly not a fad but an inevitable future reality.

As is the case with many European countries, **the development of the payments market in Poland is supported by regional organisations**. Municipalities across the country enable contactless payments (including mobile) for public transport and parking fees. For example, passengers in Warsaw can choose between a pre-paid card serving as a ticket, on-board ticket machines accepting contactless cards, and mobile apps ([mPay](#), [SkyCash](#)) that enable the instantaneous purchase of tickets. Based on agreements between banks and municipalities, a monthly public transport ticket can be coded directly on to a bank's debit cards (those of Santander Poland, for example, which leverage the SuperWallet solution provided by the Polish [Finanteq](#) company).



Key Points

- The Polish payment market is highly innovative and the latest technologies are quickly adopted
- Online foreign exchange and HCE are on the rise, with optimistic prospects for future development
- Polish banks are tapping into the payment market with joint initiatives like m-payment systems and a planned national payment card
- Latest developments on the market include promising niche solutions such as e-money, loyalty programmes integrated with payment cards and Bitcoin payments

4. FINTECH COMPANIES

Major FinTech ventures were divided into 7 groups. Each company was categorised into one class and only identified by their type operations. Naturally, the character of some operations extends beyond one category. However, this assumption makes it easier to understand the morphology of the Polish FinTech scene without exaggerating its size.

4.1 DIGITAL AND MOBILE PAYMENTS

Payments are the second field of investment in FinTech industry in terms of financing, following loans & credits. According to Accenture, it gained 29% of all investments in the financial-technology sector between 2010 and 2016.

In Poland, you can find a large number of innovative solutions implemented by banks and FinTech. There is a developed payment infrastructure, too. This is a good starting point for growth in the segment. The biggest players in this category include:

- Billon - designs and develops a digital cash solution for mobile phones and computers
- BillTech - powers single bill payment site
- Blik - popular payment, withdrawal and transfer mobile platform
- Blue Media - major player offering express money transfers, payments, online authorization
- CallPay - disrupts mobile payment sector
- CashBill - payment platform for e-commerce



- DotPay / eCard - local Polish payment method and PS
- GoPay - innovates ticketing and payment methods in the public transport sector
- MCX Systems - payment solution for retail
- mPay - provides services for mobile payments
- Paylane - online payment gateway for SaaS and E-Commerce
- Payarto - services for electronic payments sector
- PayU - provides financial solutions for local and cross-border merchants in emerging markets, POS credit and alternative payment methods
- Przelewy24 (Dialcom24) - popular payment solutions provider
- SkyCash - application for mobile payments
- Tpay.com - **online payment system enabling fast and convenient internet payments**
- uPaid - payment solutions for e-commerce and m-commerce

The payment processing solutions are often exported from Poland to foreign markets.

4.2 FINANCIAL PLATFORMS

The next major sector of the Polish FinTech industry is the area of financial platforms. Specifically, financial platforms that allow individuals and companies to tap into credit scoring, crowdfunding and various forms of loan products. Another large sector in this area is online currency exchange, mobile banking solutions and value-added services. Another up and coming sector is credit counselling and loan comparison engines. The pioneering companies in this sector include:

- Kantoria - online currency exchange platform
- Kasomat - service for internet loans
- Kredytmarket (Polska Platforma Kredytowa) - service for b2b credits
- Lendguru - financial platform for SME's
- LepszaOferta - comparison platform for finance, telco and utilities
- CompareKing - compares loan offers across the web
- Loando / Pozyczkaportal.pl - internet loans platform
- MyPlacimy.pl - provides deferred payment solutions for companies
- Payholding - online currency exchange
- Walutobox - provides a platform for p2p currency exchange
- Vivus - online loans service
- Ybanking - a platform for group buying



4.3 CROWDFUND AND P2P LENDING

Next in the Polish FinTech environment is the crowdfunding and P2P lending sector. Charity collections, social loans, P2P currency exchange and the public financial support of business ventures are an up and coming segment of the Polish FinTech market.

The Polish market has been quick to capitalize on social loans and the power of crowdfunding. Delivering a wide range of products ensures gaps in the market can be filled and funding is easier to come by. Polish companies at the forefront of Crowdfunding and P2P lending are:

- [Beesfund](#) - a crowdfunding platform
- [Currency One](#) - online currency exchange
- [eMonero](#) - a platform for social loans
- [Faktorama](#) - helps SMEs obtain funding secured with future cash flows
- [Finansowo.pl](#) - p2p landing platform
- [Kundi](#) - insurance referral platform
- [Polakpotrafi.pl](#) - popular crowdfunding platform
- [Siepomaga](#) - charity fundraising platform
- [Wspieram.to](#) - crowdfunding platform

4.4 BLOCKCHAIN AND CRYPTOCURRENCIES

One of the quickest growing sectors in the Polish FinTech Market is based on Blockchain technology and cryptocurrencies. Virtual currencies and distributed data structures are unquestionably shaking up traditional markets, and Polish startups are well in the thick of things.

However, right now Bitcoin and blockchain are buzzwords that warm investors' hearts and stimulate their imagination. In fact, they are just technologies that can be used for utilitarian goals. That is why some of the companies below can be classed in different categories, too. Polish startups at the forefront of Blockchain and crypto technology are:

- [BitBay](#) - bitcoin payment operator
- [BitMarket](#) - bitcoin exchange platform
- [BitMaszyna](#) - bitcoin exchange platform
- [BitPay](#) - blockchain payment platform
- [InPay](#) - global payments platform
- [Confirm.io](#) - blockchain AML risk & compliance platform



4.5 BIG DATA AND ANALYTICS

New technologies give us an excellent opportunity to collect various data. Using them, a business can provide a new level of services. However, to achieve this goal, entities must be able to collect the right data, store and analyse it properly, draw conclusions and make the right decisions. The financial industry faces this problem as well and tries to solve it with decent tools built by itself.

Among Polish companies focused on analytical services, you may find ones that estimate the value of real estate properties online or provide business intelligence solutions for SMEs. There are some also specialised in risk scoring, i.e. risk index of drivers based on their behaviour or providing SME's & individuals with credit scoring in order to decrease their instalments. Here are some flagship Polish companies in Big Data & analytics sector:

- Bacca - helps to spread the cost of insurance by paying smaller regular fees
- Cenatorium - provider of data-based solutions
- ICRA - allows reduction of costs for individual and small business loans
- Nethone - provider of predictive intelligence and machine learning solutions

4.6 PERSONAL FINANCE MANAGEMENT

One of the most promising segments in FinTech are solutions helping individuals manage their saving and/or financial commitments. The default way of development for companies specialized in this kind of technologies is a close alliance with a large bank.

In Poland, there are relatively fewer FinTech entities who concentrate on personal finance management. However, there are a few worth mentioning:

- iWisher - re-invents the way people give & receive gifts
- Kontomierz - provides insights for personal finance management
- Moneyfriend - money e-coach for young people

4.7 OTHER

The FinTech companies that were not categorised in any of the groups above make a significant number among all Polish FinTech entities. Among them, you can notice factoring service providers, both traditional and so-called silent. Their characteristic feature, though, is much less bureaucracy comparing to traditional factoring institutions.



Another bigger group within the segment are companies handling payments with their hardware solutions (i.e. providing and servicing payment card readers).

There is also a well-developed ecosystem of digital payment solutions who run their operations more “offline” or supporting the FinTech startups whose services are “fully digital”. But you can find virtual debt collection company or an entity, whose products simplify clearance and settlements between business clients and taxi companies.

Have a look at the following list:

- [eWindykator](#) - debt collection tool
- [Fandla](#) - factoring platform
- [FXMANAGO](#) - improving the currency management for SMEs
- [Finanteq](#) - provider of mobile banking solutions
- [Finiata.com](#) - provides working capital financing for freelancers and SME's over a fully automated data-driven scoring technology
- [IAI](#) - online selling solution
- [inviPay](#) - payment method for business
- [iPOS](#) - tech solutions for POS
- [IT Card](#) - provider of banking self-service solutions
- [Leaselink](#) - online shopping for business owners
- [Lider Walut](#) (Cashhome) - currency exchange platform
- [Mobiltek](#) - aggregation of SMS services for mobile banking NFG - e-factoring platform
- [Paymax](#) - mPOS solution
- [Paymento](#) - financial technology solutions
- [Polskie ePłatności](#) - provider of electronic payments
- [Sum Up](#) - credit card readers
- [Taxilog](#) - accounting and management of transportation expenses for b2b
- [xchanger](#) - global API for international payments
- [Zencard](#) - customizable loyalty redemption platform

5. FINTECH EVENTS AND ORGANISATIONS

FinTech as a fresh industry in Poland has been covered by many events dedicated to modern technologies. What is more, Poland as the most advanced country in terms of FinTech in CEE, attracts many international industry stakeholders, as a result of which many events have an international reach.



FinTech Events in Poland			
Event	Date	Place	Description
Startup Weekend	Last Edition: 20 th -22 nd October 2017	Warsaw	participants should create their startups within 54 hours only and after that, they have a chance to consult with experienced mentors
Women Startup Competition	Last edition: 14 th -15 th March 2018	Warsaw	event aimed at bringing together female entrepreneurs and their teams with potential investors
OpenReaktor	19 th September 2018, 24 th October 2018, 21 st November 2018	Warsaw	monthly event where individuals from the Warsaw startup scene speak and network to nurture any ideas that are in their infancy; speakers from Google, Facebook and TechCrunch
Wolves Summit	23 rd -24 th October	Warsaw	bring startups, funds and corporations into the same space to cross paths and ideas
FinTech & InsurTech Digital Congress	13 th -14 th November 2018	Warsaw	has already become the important point on the map of Polish finance industry events; it is held by MCI, an investment company
HackYeah	24 th -25 th November 2018	Warsaw	the biggest stationary hackathon in Europe; the track partners are Ministry of Finance and UBS bank
Impact Fintech	28 th -29 th November 2018	Lodz	bring startups, funds and corporations into the same space to cross paths and ideas
Digital Banking and Payments Summit	19 th -20 th February 2019	Warsaw	bring startups, funds and corporations into the same space to cross paths and ideas
Cashless Congress	26 th -27 th March 2019	Warsaw	bring startups, funds and corporations into the same space to cross paths and ideas
Infoshare	8 th -9 th May 2019	Gdansk	the largest tech conference in CEE (over 6000 attendees)

6. FINTECH KEY ORGANIZATIONS

The most important **organizations supporting fintechs** in Poland are **Financial Supervision Commission (KNF)** – Polish governmental organisation, which launched a special program for companies from the financial technology sector and introduce legal standards for fintechs.

Another organization is **FinTech Poland**, gathering information about companies, supporting business, organizing industry events, activities for the development of financial innovation and transaction technologies, and strengthening the role of Poland as a regional centre of financial and transaction innovation.

StartUp Poland is a company that brings together Polish startups from many industries, investors and entities related to the business environment. The main goal is to support innovative enterprises.

It is worth mentioning the **Fintek.pl** portal which focuses on providing the most up-to-date and most important information from the FinTech sector.

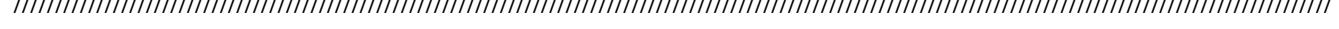
7. CONCLUSIONS

Poland is a country with one of the **best-promising opportunities for FinTech industry**, considering legislation, education, infrastructure and innovation culture. Poland, with Cracow as its “CEE Silicon Valley”, is another emerging star, that holds the potential of becoming the next FinTech Centre for a number of reasons.

Poland is a real FinTech experimental polygon and the so-called **“launchpad” for testing FinTech solutions**. Let's consider the example of PayPass. According to MasterCard report, 25% of Poles declare they use their PayPass every day. This means using contactless payments in Poland are used 20 times more often than e.g. Germans and 3 times more often than the European average.

Poland's potential is becoming **noticed by** prominent FinTech companies from **overseas** (like **Revolut**, that based one of their offices in Cracow). As Polish society absorbs FinTech like a sponge, the number of native financial startups is also skyrocketing. While developing their products, the startups simply test their solution on the local ground, gather feedback, implement user-validated improvements and scale their business globally. There are also Polish FinTech companies that **expand in Europe**. High innovativeness of Polish FinTech attract many foreign investors and effects in international cooperation:

- [Billon](#)
- [Azimo](#)
- [InPay](#)



- ✓ In recent years, Poland has become a regional leader in technologically advanced, pioneering solutions in the banking sector.
- ✓ The Polish payments market is highly innovative, rapidly adopting the latest technologies. Recent developments in the payment market include promising niche solutions such as e-money or loyalty programmes integrated with payment cards.
- ✓ Polish banks are tapping into the payments market with joint initiatives like m-payment systems and a planned national payment card.
- ✓ SMEs are increasingly interested in automated and cloud-based finance-management solutions.
- ✓ Banking industry in CEE is more technologically advanced than in Western Europe.
- ✓ Banking services online are used at least once a month by 15,5 million Poles.
- ✓ Mobile is emerging as an essential channel for Polish customers.
- ✓ Market opportunity - 38% of established retail banks in Poland still do not offer their services through the mobile channel.
- ✓ Payments are the second field of investment in FinTech industry in terms of financing, following loans and credits.
- ✓ Polish FinTech companies look for cooperation with entities in West Europe and in the USA.

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