

What is left of Polish shipyards?

PIOTR FRANKOWSKI

State-owned Polish shipbuilding yards in Gdańsk, Gdynia and Szczecin were not able to handle the competition of Asian shipyards and EU regulations. They were found to have received unlawful public aid from the state budget (sufficient to let them survive rather than develop) after 2004, i.e. after Poland's accession to the European Union. The European Commission made a demand for either returning the aid received or restructuring the shipyards. According to the Polish antitrust office (Office of Competition and Consumer Protection), the shipyards received over PLN 8.5bn (EUR 2bn) in such aid between 2004 and 2008.

Following many a turbulent moment, in 2009 the government of Poland agreed to the second variant proposed by the Commission, which envisaged, among other tasks, selling fixed assets, repaying debts and closing down parts of shipyard production activity. The Commission demanded that the shipyards be sold in open tenders without making prospective buyers purchase all the assets or keep the employees. Initially, apart from an enigmatic investor from Qatar, who eventually backed out, no other was found interested in buying the whole plants.

Selling the assets in parts was no trifle either. 20 tenders were held in Gdynia Ship-

yard, which resulted in selling the property for PLN 416m (EUR 100m). PLN 107m (EUR 25.7m) were the amount offered for the assets of Szczecin Shipyard Nova (SSN). It was not enough to cover all debts of both shipyards. The debt of Gdynia Shipyard amounted to PLN 1.7bn (EUR 410m) and that of SSN - PLN 1.3bn (EUR 310m).

Following the Commission's restructuring recommendations, two large shipbuilding shipyards were closed down, and over 9 thousand people lost their jobs. Only Gdańsk Shipyard survived, which had found a new owner earlier (a branch of a Ukrainian concern, ISD Polska). Even this plant, however,



Fracht FWO Polska



RELIABLE PARTNER FOR YOU AND YOUR CARGO IN POLAND



- FORWARDING & EXPEDITION
- TRANSSHIPMENT ■ EXCEPTIONAL ROAD TRANSPORT ■ PERMITS & PILOT CARS ■ BARGE & HEAVY RAIL TRANSPORT ■ HARBOUR HANDLING ■ IMPORT, WAREHOUSING, DISTRIBUTION ■ TURN-KEY PROJECTS

Fracht FWO Polska Sp. z o.o., ul. Kijowska 1, 03-738 Warszawa, Poland
tel.: +48 22 334 20 60, fax.: +48 22 334 20 50, e-mail: info@frachtfwo.pl

www.FrachtFWO.pl



- had to limit its production and partly redesign the scope of its activity.

Wind farms, ferries and offshore

On February 1st, 2010 Crist Shipyard from Gdańsk launched its activity on the premises of the former Gdynia Shipyard, where it had bought a hull prefabrication shop and the heart of the shipyard - a large dry dock. Crist paid about PLN 175m (EUR 42m) for the dock, even though the starting price was PLN 96m (EUR 23m). ISD Polska, the owner of Gdańsk Shipyard, was also interested in that purchase. Crist had made a bid for the big dock already at the end of 2009. It had even paid the bid bond but failed to ensure sufficient resources. There had been no other interested parties at that time. In 2009, Crist bought only grounds with a hull prefabrication shop neighbouring with the dock.

The company will need the dock to build special-purpose ships for placing wind power plants on the sea. At the moment, a vessel of this kind is being built for the German Hochtief, according to the buyer's design. The vessel, the contract for which is worth PLN 200m (EUR 48m), is commissioned for 2012. 147m long and 42m wide, it will carry up to 8,000t of cargo (e.g. wind mill parts). Installation work will be performed with the use of a big radius crane with a 1,500t hoisting capacity. The shipowner estimates that the ship will be able to mount about 80 turbines with 120m towers annually, at depths of up to 50m. It is not the first ship of this kind built by Crist. In spring 2010, the shipyard delivered a EUR 70m euro-worth jack-up construction and repair platform *Thor* (also fit for plac-

ing wind turbines on the sea), ordered by Hochtief Construction. Its parameters are: length - 70m, width - 40m, payload - 2500t. Each of the four legs *Thor* was equipped with is 82m tall, with a diameter of 3.70m. The platform also has a deck-mounted Liebherr crane with a hoisting capacity of 500t with an 87m jib. Additionally, Crist has recently reconstructed four seagoing vessels for transporting wind power plants for the Danish-German Aarsleff concern. An over 1.3 t structure was mounted on each of the vessels for it to carry six full-size wind towers.

What is more, the shipyard has established cooperation with Nauta Shiprepair Yard from Gdynia, which also bought grounds from the bankrupt Gdynia Shipyard (mainly fitting-out grounds with shops and wharfs). It is planning to move there all its activity from the areas neighbouring with the inner city of Gdynia. Under this agreement, Nauta gained exclusive rights to use the dry dock for repairing and converting contracted ships from the beginning of February to the end of August 2011. Afterwards, the dock will be used by Crist only to be handed back to Nauta on completion of the construction of Crist's vessels.

Another Gdańsk based partnership Maritim Shipyard, one of the largest private shipyards in Poland, realized a spectacular contract last year. It built a hull for the *Rainbow Warrior III* owned by Greenpeace. (The partly fitted-out hull was then towed away to the German Fassmer Shipyard in Bremerhaven, the main contractor of the ship).

After launching of the hull, Maritim Shipyard sold its floating dock (size - 65 × 31.2m, load carrying capacity - 10,000t) to Nauta Shipyard, introducing the latter to a new market of large vessel repairs (first of them being a Polsteam bulk carrier the *Solidarność*).

The Gdańsk "Remontowa" Group also continues to build new ships, ferries and offshore vessels, with Norwegian shipowners as its regular customers, ordering ferries above all. And thus, four LNG fuelled passenger and car ferries are to be built in Gdańsk in the nearest future for Torghatten Nord AS. The contract is worth about PLN 410m (EUR 98,6m). The ferries, first of which is commissioned for 2013, will have a capacity of 80 to 120 cars and 390 passengers, and will develop speed between 12 and 19kn.

LNG powered ferries built at Remontowa Shipbuilding Yard in Gdańsk (the former Northern Shipyard) have already gained recognition in the world, as proved by the award that "Remontowa" Group received last year for its double-ended fiord ferry the *Moldefjord*. Built for a Norwegian owner Fjord1, it was announced the "Green Ship of the Year." The ferry is 122,7m long and can accommodate 390 passengers and 128 cars or 12 articulated vehicles (road tractor with semi-trailers) and 55 cars. It is fitted out with a medium speed Diesel engine and two LNG powered internal combustion engines. They generate electric energy for the main drive and all the other ship's systems.

Another newbuilding segment "Remontowa" Group specializes in is that of offshore vessels. At the moment, two platform supplying vessels are under construction at the shipyard. They were commissioned by Lewek Shipping, a subsidiary of Ezra Holdings from Singapore for the first half of 2012. The ships (length - 87.9m, width - 18.8m, deadweight capacity - 5,200t) will have a transport deck of 900m² and will take up to 60 people. They will be suitable for carrying dry cargoes, drilling fluids, liquids (e.g. methanol) and general cargoes. What is more, they will be fitted



Photo: Crist

out with a dynamic positioning system and fire fighting devices to, among other tasks, remove oil spills, perform towing works and operate anchors. Beforehand, Gdansk "Remontowa" Shipyard delivered platform supplying vessels for shipowners from the USA, among others. It also still offers repairs of the PSVs.

The Naval Shipyard Gdynia (SMW) is on the verge of liquidation. The District Court in Gdańsk adjudicated its liquidation bankruptcy based on loss of liquidity. (Since 2009, the company has been in the state of the so-called arrangement bankruptcy). The shipyard has over 800 creditors. The total amount of debt, however, has not been revealed. If the company succeeds in regaining liquidity, the court may bring it back to the state of arrangement bankruptcy.

SMW authorities explained that the trouble of the shipyard resulted from, among other factors, lack of financial resources from the Ministry of Defense for the work on building a *Gawron-type* corvette (according to law, however, the Ministry can pay only after the ship has been completed). The construction has consumed about PLN 500m (EUR 120m) so far. The Industrial Development Agency, the main shareholder of the shipyard (99% of shares), announced, however, that it and the Ministry were planning to sustain operations of the shipyard.

SMW lost its liquidity twice in 2006. The position improved towards the end of 2007 after reduction of employment and commercialization of the plant. New financial difficulties appeared in 2009 and are still bothering the shipyard. The restructuring programme consisted mainly in selling unnecessary property, reducing employment and contracting orders. In 2010, about 200 employees were

made redundant. Further 400 are to lose their jobs in the months to come.

In spite of this, an agreement was signed between SMW and the French DCNS (Direction des Constructions Navales) at the beginning of March on industrial and commercial cooperation. It concerns prospective building and modernizing the Polish Navy ships and maintaining their availability as well as manufacturing armament. SMW is also contracted to build ships for the Vietnamese navy: a school sailing vessel and patrol crafts.

There are now over 20 plants in Szczecin which build and repair seagoing ships, river vessels, barges, transport pontoons, seagoing yachts, tankers and fishing vessels. They also manufacture hulls for different watercrafts, complete ship sections for other shipyards and elements for the offshore sector, including tanks, anchors, drilling rig skidding systems (so-called SKIDs), wind tower construction elements and other large-size steel structures. This sector is mainly composed of small and medium-size plants, manufacturing mainly for export. When the economy is booming, they employ a staff of over 15,000, and their annual revenue exceeds PLN 4bn (EUR 1bn). These are enterprises such as: Stalkon, Finomar, Partner, Muhlhan, Zink Power, Navikon-Stal and Betamar.

Szczecin Shiprepair Yard Gryfia has purchased from the property of the bankrupt Szczecin Shipyard Nova a steering unit for a B 178-1/23 container ship, whose partly-fitted-out hull was previously taken over from SSN for its debts by the Polish Industrial Development Agency (ARP). The agency established a special company, Aranda, with the purpose of completing the construction. Due to problems with financing, this goal was achieved only in May this year. The ship was taken over by Pol-Euro, an Gdynia based shipowner, and chartered out to the Belgian Delphis. On completion of the construction, several dozen workers lost their jobs in the shipyard, whose future is now uncertain.

Prior to this, the shipyard had also fulfilled a contract for the construction of a series of seven patrol crafts for Norway. Last of those left the shipyard at the end of 2010.

There are also other, smaller shipyards operating in Poland, including Damen Shipyards in Gdynia, Gdańsk and Kędzierzyn-Koźle, which build tugs for Russian, UK or Dutch shipowners as well as inland vessels, and the Gdańsk based Sunreef Yachts Shipyard, specializing in the construction of luxury catamarans.

Wind turbines from a shipyard

Assembling large size structures for the industry, including wind tower components, is a new form of activity which has recently been introduced in the Polish shipyards. Gdańsk Shipyard, which luckily avoided the fate of Gdynia and Szczecin based plants, is a leader in this respect. As defined in its restructuring plan, the company is expected to base its activity on three kinds of production: technical

vessels, wind turbines and other steel structures. Marine manufacturing should account for approx. 40% of revenue, and that of turbines and structures - 30% respectively.

In mid-2010, Poland's biggest wind tower plant was opened in Gdańsk. Its current manufacturing capacity of 100 towers a year is to increase to 300 pieces by the end of 2012. (Potential demand for wind turbines by 2020 can reach approx. 4,500 pieces).

Towers manufactured currently are being made to the order of a German company Nordex. The shipyard is to manufacture 10 towers, the number likely to grow given Nordex's interest in regular supplies. (Having installed over 4,200 turbines (over 6,000MW) across the world, Nordex is a tycoon in manufacturing complete wind power plants.)

Towers manufactured in Gdańsk weigh 100t, are 120m tall, and their diameter at the base is 5m. Inside of the towers hides all the systems, gang boardings and lifts, which enable access to the turbine. Due to their size and weight, the towers are transported to the foundation site in segments. The location of the Gdańsk plant, with direct access to the port canal, is therefore its additional asset. It facilitates transport by sea, which is particularly important for the construction of offshore wind farms.

What is more, at the beginning of the year, Gdańsk Shipyard and GE Hitachi Nuclear Energy signed an agreement on technological cooperation. The American-Japanese consortium is competing for a contract for supplying reactors for Poland's first nuclear power plant. The agreement signed makes it possible to supply large steel components for future nuclear power plant structures. It should soon become clear which company will supply reactors. Should it be GE Hitachi, Gdańsk Shipyard will have a lot of work.

Large size structures for power engineering will also be manufactured on the grounds that used to belong to Gdynia Shipyard prior to its bankruptcy. Energomontaż Pólnoc, owned by the listed Polimex Mostostal group, has bought a smaller dry dock there, among other assets, where it wishes to assemble drilling rigs, wind power plant structures and furnaces for oil and petrochemical industries, to mention just a few major areas of the company's interest.

This kind of activity can also be run on the premises left after the collapse of Szczecin Shipyard Nova. Recently, a Belgian-German company Teleskop, a crane manufacturer, has shown interest in these grounds. The company intends to manufacture there large size components for shipbuilding and for welded structures. It already owns manufacturing shops in Kostrzyn on the Oder River. SSN's shops have also been leased by a Bydgoszcz based company Makrum, which is going to move to Szczecin heavy mechanical working that is currently performed in Bydgoszcz. The company is already operating in Szczecin, occupying the grounds after the bankrupt Pomerania Shipyard.

Plotr Frankowski

A Run of Good Luck for Polish Ports

MACIEJ BORKOWSKI

In the first half-year in Polish ports a run of good luck, initiated last year, continued. Last year's throughput (close to 65 million tonnes) was almost 31% larger than in the previous year and half-year results (see table on page 10) were higher by another 5% than the results from the first 6 months of last year. Container throughput results were simply excellent. Last year, the revenue of Polish container terminals increased by nearly 60%, and their results from the first 7 months are more than 36% better than last year. In comparison with 2009 - they more than doubled.

Container terminals are working at full capacity, just like good old days or even better, which shows that the condition of Polish foreign trade is good. This is mainly true of the largest ones, which mean the most in maritime container turnover. However, even

the smallest of these, Baltic General Cargo Terminal Gdynia Ltd. has noted a 3-digit increase in turnover. That, however, merely influences overall results, the volume of turnover being small.

Polish ports have recently handled over 100 thousand containers (TEU) every month (apart from February). Last year their combined revenue exceeded one million and the outlook for this year is even better. Gdańsk Deepwater Container Terminal (DCT) with its brief history (it opened only at the end of 2007) handled a millionth container (TEU) at the end of June. Setting off from zero point it managed to leave behind all the other Polish container terminals last year and became the largest of them in terms of throughput. It handles almost as many containers as all the other terminals collectively.

In January 2010, a Danish ship operator Maersk Line elongated AE10, one of its Far East ocean services, to reach Gdańsk and made DCT its Baltic hub. Regular weekly arrivals of large container ships have caused Gdańsk port gain advantage over Gdynia, and become the largest container port in Poland. The largest Maersk container ships (15,500 TEU) have started calling at the port since last May and the terminal has come close to the limit of its technical capabilities. Its board is soon planning to purchase extra throughput equipment such as more STS gantry cranes. They are also considering lengthening and widening the jetty, as well as extending the premises of DCT.

The largest terminal in terms of throughput capacity is Baltic Container Terminal (BCT) in Gdynia owned by International

Table 1.

Throughput in major Polish sea ports by cargo groups, in the period 2008-2010 (in thousand t)

Port	Years	Coal	Ore	Other bulk	Grain	Timber	General - cargo	Liquid fuels	Total
Gdańsk	2008	1 088	30	2 603	647	0	3 060	10 353	17 781
	2009	2 716	16	2 218	961	0	3 458	9 494	18 863
	2010	3 180	10	2 676	781	0	6 132	14 401	27 182
	'09/'08 %	249,6	53,3	85,2	148,5	0,0	113,0	91,7	106,1
	'10/'09 %	117,1	62,5	120,6	81,3	0,0	177,3	151,7	144,1
Gdynia	2008	1 343	0	2 366	1 300	40	9 615	804	15 467
	2009	1 899	0	1 892	1 915	16	6 757	778	13 257
	2010	1 683	4	2 264	1 663	43	8 159	916	14 735
	09/08 %	141,4	0,0	80,0	147,3	40,0	70,3	96,8	85,7
	'10/'09 %	88,6	0,0	119,7	86,8	268,8	120,7	117,7	111,1
Szczecin-Swinoujście	2008	5 464	1 457	2 506	1 129	45	7 859	755	19 216
	2009	4 219	610	1 994	1 615	12	7 096	948	16 497
	2010	7 294	471	2 213	1 342	12	8 467	1 040	20 842
	'09/'08 %	77,2	41,9	79,6	143,1	26,8	90,3	125,6	85,9
	'10/'09 %	172,9	77,2	111,0	83,1	100,0	119,3	109,7	126,3
Police	2008	24	0	2 237	0	0	0	0	2 261
	2009	27	0	804	0	0	0	0	831
	2010	30	98	1826	0	0	0	0	1954
	'09/'08 %	112,5	0	35,9	0	0	0	0	36,8
	'10/'09 %	111,1	0	227,1	0	0	0	0	235,1
Total:	2008	7 919	1 486	9 713	3 076	85	20 534	11 913	54 725
	2009	8 862	627	6 909	4 491	28	17 311	11 221	49 449
	2010	12 187	583	8 979	3 786	83	22 758	16 357	64 714
	'09/'08 %	111,9	42,2	71,1	146,0	32,9	84,3	94,2	90,4
	'10/'09 %	102,1	119,7	126,0	89,8	296,4	121,8	144,6	130,9

Source: Data from authorities of respective ports (compiled by MB)

Container Terminal Services Ltd (ICTSI). Its turnover decreased greatly two years ago when Maersk decided to shift to Gdańsk. Now, month by month it is reaching 30% better results than last year and 69% better than those reported 2 years ago.

Similarly, a great increase of throughput is experienced in Gdynia Container Terminal (GCT), owned by Hutchison Port Holdings and built a year earlier than DCT. This terminal also uses its throughput capacity to a great extent (over 80%), which can be a highlight but, on the other hand, necessitates new investments vital to coping with the ever increasing demand for handling services. The terminal has already come to an agreement with Port of Gdynia Authority in terms of lengthening the wharf where it is situated. The terminal will be an operator of the new section and the adjoining premises.

Out of Polish port terminals only two smaller ones: Gdańsk Container Terminal (GTK) and DB Port Szczecin (DB PS) cannot deem the past half-year successful. But at least the latter has got a "second wind" in the light of its June and July results. GTK still cannot find its feet after its competitors have won over its best clients one by one in recent years, making its throughput shrink.

Polish port terminals usually show a balanced "in" and "out" turnover. Only Baltic Container Terminal (BCT) in Gdynia traditionally reports higher import figures, while at Gdańsk Container Terminal, by contrast, it is export that dominates the terminal's activity.

Less Coal - More General Cargo

Last year, as proven by the performance in the past half-year, Polish ports managed to overcome a period of depression in turnover and decrease of throughput, which lasted for over a dozen years. Last year it suddenly ended and the performance curves peaked. It is worth remembering that high throughput does not necessarily equal high profit. That is why optimism in companies operating in Polish ports is not common.

The signals which come from the market are ambiguous. A year ago it was the throughput of coal and grain that showed the greatest increase in the first half-year. This time,

Chart 1.

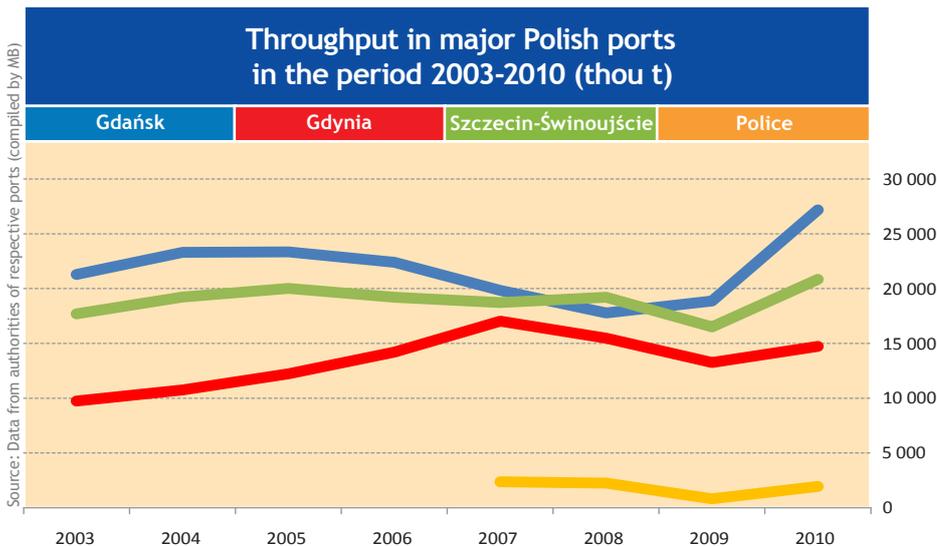


Chart 2.

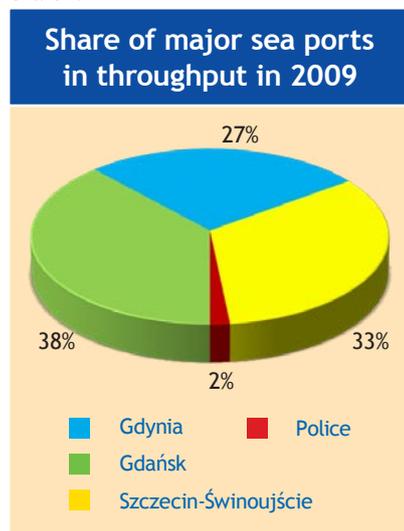
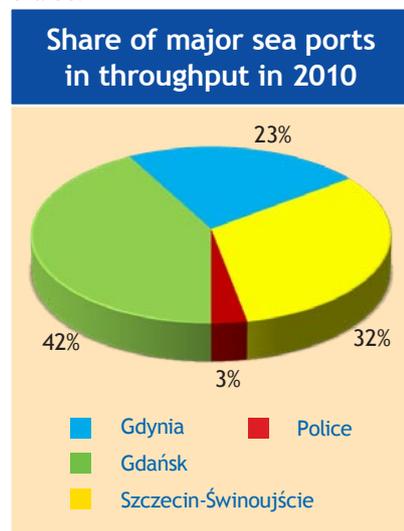


Chart 3.



these are the cargo groups that decrease the most (see table on page 10). Coal throughput has declined by a third compared to last year, and grain throughput has decreased by 14%. The drop has been reported in all the large ports (apart from Police).

All in all, the first six months turned out to be almost 5% better than the same period last year. It has been the first time in a long while that every single port could boast better per-

formance. The decrease in coal and grain has been balanced by an increase in port turnover of other bulk, general cargo and liquid fuel throughput. It was the first group in particular that experienced a great upswing, as Gdańsk handled three quarters more of other bulk cargo than last year, Szczecin - almost 50% more and Gdynia - a quarter more. The Port in Police also had a considerable share in this cargo group, with semi-annual performance

TWÓJ PRZYJAZNY PORT

GTK
Gdański Terminal Kontenerowy SA

80-546 Gdańsk, ul. Na Zaspę 3;
tel. +(48) 58 737 72 69, 58 737 72 73,
58 737 72 65, 58 737 72 71, 58 737 72 74
Biuro Portowe: Nabrże Szczecińskie,
ul. Mariana Chodackiego; tel. +(48) 58 737 70 60
fax +(48) 58 737 72 75; e-mail: gtk@portgdansk.pl

www.gtk-sa.pl

Chart 4.

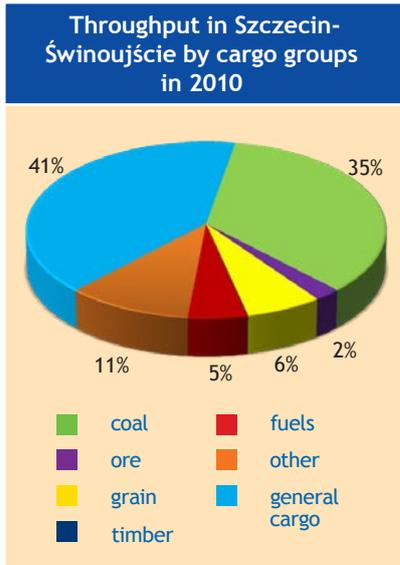


Chart 5.

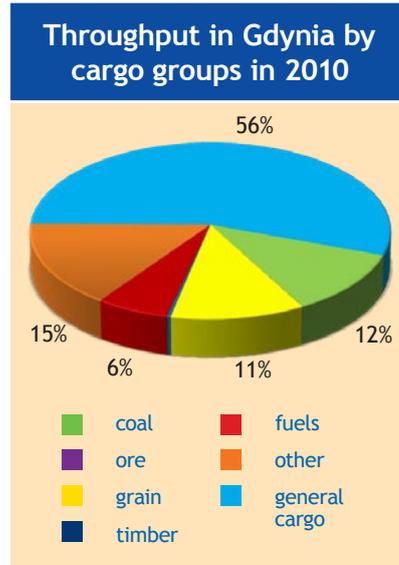
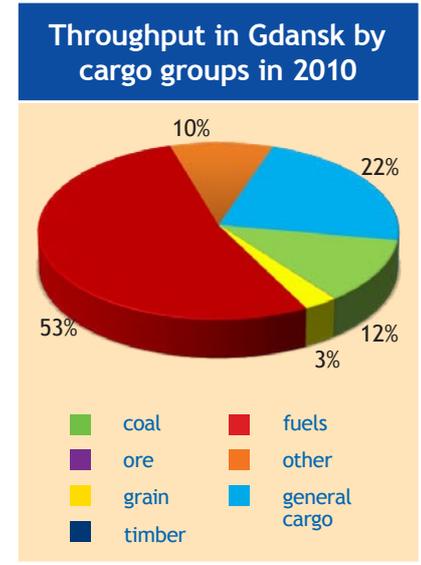


Chart 6.



Source: Data from authorities of respective ports (compiled by MB)

close to a million tonnes. A chemical factory from the area, which is the main client of the port, seems to be developing its production capacity, taking advantage of a better business outlook, which is clearly reflected in the port's turnover.

A definite highlight concerning the performance of Polish ports is the growth in throughput of general cargo. It is a good indicator reflecting the state of the whole economy. Semi-annual port statistics of general cargo group confirm the positive trend: its turnover in Gdańsk has increased by nearly 11%, in Szczecin-Świnoujście by over 14% and by a fifth in Gdynia. These figures indicate that the latter is on a proper path to regaining its "general cargo leadership" among Polish ports, which it lost to the port of Szczecin-Świnoujście two years ago. If the trend continues, Gdynia stands a chance of becoming the largest Polish general cargo port again at the end of the year.

Last year, following the difficult 2009, also ferry transportation in the port of Gdynia took up momentum again. There is a chance that the rise will be higher this year, due to the introduction of new, larger and more modern ferries on the line to Karlskrona by Stena Line. Another factor that can positively influence the rise is the commissioning of the second double loading ramp, which will allow for a better use of huge ro-pax ferries, which are operated by Finnlines on the Rostock - Gdynia - Helsinki route.

Will these positive developments continue in the Polish ports in the second half-year? It is hard to predict it right now, considering that there is still a great deal of uncertainty in the world trade. The throughput of fuel in the port of Gdańsk, which is crucial to its turnover, might be especially endangered. The key is the freeze on transit of Russian oil through Gdańsk, which has been discussed for years but can come true in no time owing to a new pipeline opened in Russia, which reaches the port in Ust-Luga. There is a possibility that the port will take over the oil exported through the port of Gdańsk thus far.

Polish Ports Continue to Invest

Financial results of the authorities of the Polish ports do not correspond to the volume of throughput in these ports. Last year's leader, with respect to throughput volume - the port of Gdańsk (27,2 million tonnes), reported the smallest profit among all the major ports (ca. PLN 18m - over EUR 4.5m). In the case of Gdynia, where the throughput was the smallest (14,7 million tonnes), the port authority made the highest profit - over PLN 43m (EUR 10.8m). The port complex of Szczecin and Świnoujście, with the throughput of 20,8 million tonnes, made a profit of ca. PLN 20m (EUR 5m). It shows quite clearly that the type of cargo handled proved to be more important than its volumes. In all, however, the results of Polish ports, as regards both the throughput and the profits, were the best in years. Even more so as the port operators made a lot of investments last year. They were not the only ones to be investing; maritime administration and private port enterprises also made their investments independently.

The outlook for this year is even better. In Gdańsk, the conversion of the port entrance and breakwater will be continued, as will the modernisation of the port canal. Port Północny company, co-owned by Belgian Sea-Invest and a steel concern ArcelorMittal, is planning to start building a large bulk terminal. The construction of a large logistics park located next to the port is already in progress. Its investor and operator-to-be is Goodman, an Australian company.

A throughput terminal and a base of storage tanks for oil products and other liquid cargo is to be built in the port of Gdańsk. The project investors are PERN, a Polish company managing the national network of oil pipelines, and a German operator Oiltanking, which has 71 terminals in 22 countries. The investment is worth around PLN 800m (EUR 200m) and is to be commissioned in 2013. The tank park will

have the storage capacity of 400 thousand cubic metres of crude oil and another 300 thousand cubic metres of other oil products or chemicals.

The first warehouse in the logistics centre, as well as the first double ramp in the ro-ro terminal have been commissioned in Gdynia. And a thorough reconstruction of the old, general cargo part of the terminal is in progress. The works encompass also the terminal surroundings with warehouses, yards and roads. Recently, some works have been completed, including deepening of the port canal and turning basins as well as converting of the port entrance. There are plans for the construction and modernisation of the wharves in the port basin where container terminals are located.

In the ports of Szczecin and Świnoujście, situated at the mouth of the Oder, the modernising investments alone are to consume over EUR 100m. The sum does not include another few hundred million allocated for the construction of the new outer port in Świnoujście where an LPG terminal for handling liquid gas is being built along with the accompanying gas transfer infrastructure.

A new container terminal is opening in Szczecin. The grain terminal is being extended and there are plans to build a base for the handling of chemicals. Both ports have started conversions and reconstructions of wharves, yards, roads, railway subgrades, power supply, telecommunications network, sewage system and other infrastructure. Ca. PLN 87m to (EUR 21.8) were allocated to the repair of roads alone, and PLN 103m (EUR 25.8) to the reconstruction of railway subgrades. Many of the port's investments are financed by private investors. Polish ports make the most of the opportunity that offers itself thanks to access to the European funds. Many of the ongoing investments are co-financed from these funds. Such a favourable opportunity may not offer itself again after 2014, when those funds are allocated anew.

Maciej Borkowski