POLAND'S INFRASTRUCTURE

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1. General characteristics of infrastructure in Poland

Infrastructure in the year 2004 was one of the most rapidly developing sectors of the Polish economy. In particular, air transport, logistics, and tourism noted many new investments, as well as attracted many new clients.

As far as air transport is concerned, many new investments have been planned for the upcoming years. New municipal airports are planned for cities such as Białystok and Koszalin, and regional airports in Lubelskie and Świętokrzyskie provinces, which with the help of low-cost airlines should allow further development of passenger transport. The warehouse sector, on the other hand, has reached four times higher growth than the year before, and health tourism has become popular all over Europe, luring tourists even for one-day visits.

2. Transport infrastructure

Poland is attracting more and more foreign investors. One of the reasons is that the country has well-established transport networks which are constantly being developed and modernized.

- Cargo transport, passenger transport

Despite the fact that the total number of transported cargo and passengers has slightly decreased as a result of the growing number of cars imported over the past years, air transport now has a higher profile (ranking relative to other means of transport).

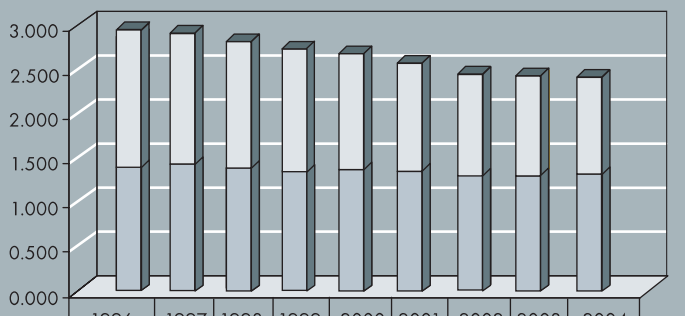
- Profile of cargo shipment by means of transport

Most cargo is shipped by road transport, with this segment accounting for 72.2% of overall cargo transport. Very little cargo was shipped by air – only 29,000 tonnes in 2004.

- Profile of passenger transport by means of transport

Road transport dominates also in the area of passenger transport and was responsible for 74.4% of the passenger transport market measured by the number of passengers transported in 2004.

TRANSPORT OF CARGO AND PASSENGERS



	1996	1997	1998	1999	2000	2001	2002	2003	2004
☐ Transport of passengers (million person)	1.523	1.487	1.444	1.401	1.320	1.237	1.123	1.113	1.086
☐ Transport of cargo (million tonnes)	1.385	1.407	1.359	1.329	1.348	1.317	1.304	1.309	1.324

Source: Central Statistical Office (GUS)

TRANSPORT OF CARGO BY MEANS OF TRANSPORT IN 2004

Means of transport	tonnes			ton-kilometers			Average length
	in thousands	2003=100	in % overall	in billion	2003=100	in % overall	
OVERALL	1,324,511.0	106.9	100.0	290,898.9	111.5	100.0	–
Railway transport	282,919.0	117.1	21.4	52,331.6	105.5	18.0	185.0
normal-gauge rail	282,789.0	117.1	21.4	52,327.5	105.5	18.0	185.0
narrow-gauge*	121.0	153.2	0.0	4.1	125.6	0.0	34.0
Car transport	956,939.0	104.9	72.2	110,481.0	128.5	38.0	115.0
Air transport	29.0	94.5	0.0	93.5	108.1	0.0	3,241.0
Pipelines	53,378.0	103.1	4.0	24,806.3	103.9	8.5	465.0
Inland shipping	8,747.0	109.8	0.7	1,066.4	122.3	0.4	122.0
Shipping	22,499.0	88.5	1.7	102,120.1	101.7	35.1	4,539.0

* together with wide-gauge
Source: Central Statistical Office (GUS)

TRANSPORT OF PASSENGERS BY MEANS OF TRANSPORT IN 2004

Means of transport	passenger			passenger-kilometers			Average length
	in thousands	2003=100	in % overall	in billion	2003=100	in % overall	
OVERALL	1,085,509.0	97.6	100.0	56,071.6	98.9	100.0	52.0
Railway transport	272,162.0	96.0	25.1	18,689.7	95.2	33.3	69.0
normal-gauge rail	283,279.0	96.0	26.1	18,688.4	95.2	33.3	66.0
narrow-gauge	80.0	106.3	0.0	1.3	100.0	0.0	16.0
Car transport*	807,281.0	98.1	74.4	30,118.0	100.4	53.7	37.0
Air transport	4,044.0	101.7	0.4	7,071.4	102.9	12.6	1,749.0
Inland shipping**	1,396.0	77.8	0.1	23.0	68.5	0.0	17.0
Shipping	626.0	119.0	0.1	169.5	123.5	0.3	271.0

* without public transport in the cities
** with coastal transport
Source: Central Statistical Office (GUS)

3. Road infrastructure

The best situation with respect to the network of hard-surface public roads is in Silesia, Małopolska and Świętokrzyskie provinces. Among the provinces with the least extensive public road network are Warmia-Mazuria, Podlasie, Lubuskie and West Pomerania.

- Length and condition of particular types of roads and bridges

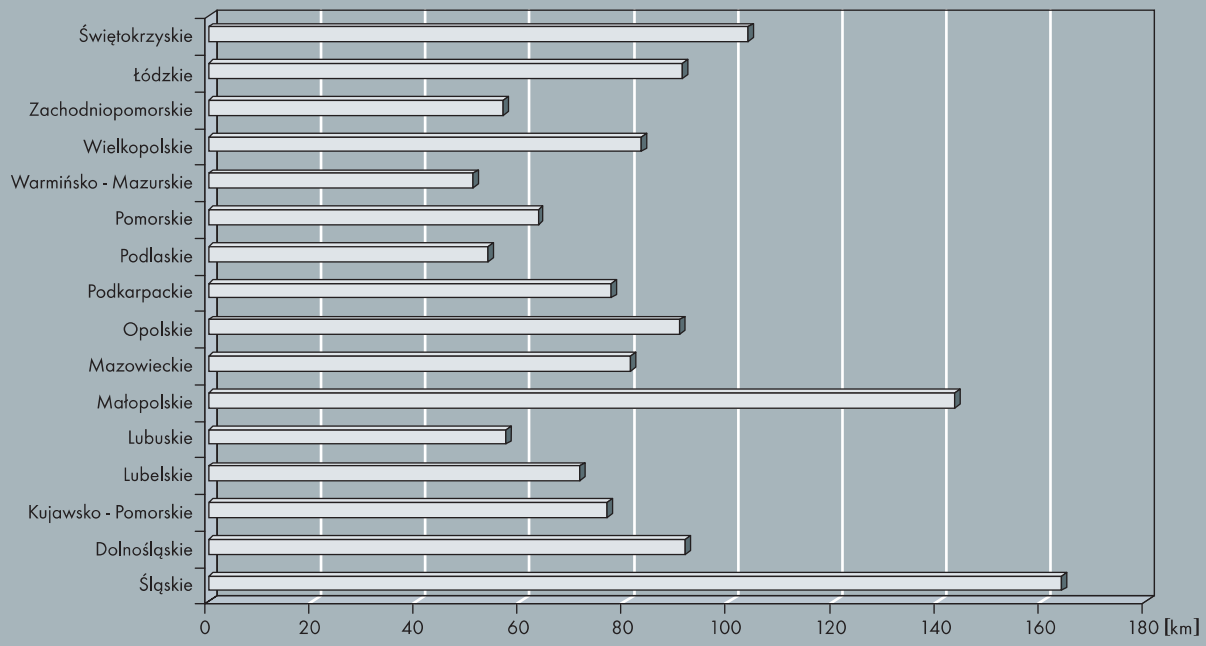
The majority of Polish roads are administered and maintained by local communes. Commune roads account for 53.70% of all roads. Unfortunately they are in the worst condition. Only 44.59% of commune roads are hard-surface, of which 75.71% have improved surfaces. In the best condition are national and province roads. Over 99% of them are hard-surface, of which over 99% have improved surfaces.

As far as the condition of roads is concerned, expenditures on road modernization increased in 2002–2005 (growth of expenditures during the period was 58%).

	2002	2003	2004	2005
Road investments (PLN million)	4.2	5.2	5.6	7.0
Length of roads modernized (km)	1,100	1,250	1,740	1,700

Source: Central Statistical Office (GUS)

PUBLIC ROAD NETWORK WITH HARD SUREACE (FOR KM^2)



Source: Central Statistical Office (GUS)

POLAND'S PUBLIC ROAD NETWORK AT THE END OF 2004

	Overall	With hard surface			With dirt surface
		Together	improved	not improved	
	km				
Overall	379,455.5	252,272.6	224,440.8	27,831.8	127,182.9
National	18,368.1	18,315.3	18,303.4	11.9	52.8
Province	28,444.4	28,368.3	28,304.4	63.9	76.1
District (powiat)	128,870.1	114,718.5	109,030.5	5,688.0	14,151.6
Commune	203,772.9	90,870.5	68,802.5	22,068.0	112,902.4

Source: Central Statistical Office (GUS)

BRIDGES IN POLAND'S PUBLIC ROAD NETWORK AT THE END OF 2004

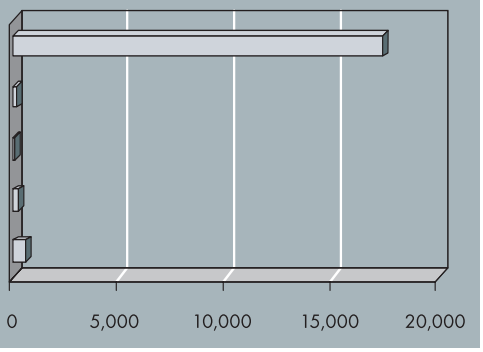
	Bridges			Ferry crossing	Tunnels and passages
	Together	permanent	temporary		
	in units				
Overall	31,176	30,453	723	120	447
National	4,299	4,299	not applicable	not applicable	215
Province	3,849	3,841	8	15	51
District (powiat)	11,931	11,728	203	44	141
Commune	11,097	10,585	512	61	40

Source: Central Statistical Office (GUS)

- Length of motorways and expressways

NATIONAL ROAD NETWORK IN POLAND IN 2005 (KM)

Other	17,352
Two-lane expressways	160
One-lane expressways	70
Expressways	230
Motorways	570



Source: Central Statistical Office (GUS)

- Plans for construction of road and motorways in Poland – financing and plans EU membership has accelerated the process of extending the road network by ensuring significant funding.

INVESTMENT GOALS FOR 2005–2013

Building of motorways	1,535 km
Building of expressways	3,086 km
Surface improvement	4,431 km
Building of ring roads	105 roads

Source: Central Statistical Office (GUS)

The planned investments concern the north-south route from Gdańsk through Łódź and Katowice to Cieszyn. The second project includes creation of east-west connections, from Warsaw through Łódź and Poznań to Germany, and from Cracow to the German border. In the longer term, these routes will become a part of the transportation passageways connecting the northern and southern parts of Europe.
In a few years Poland will have the newest motorway network in Europe. According to the Polish Government programme, the completion dates for particular motorways in Poland are as follows:
The dates refer to completion of the whole route. Particular sections will be ready for use earlier.

Motorway number	Route	Completion date
A1	S6/S7 (Gdańsk) – Toruń – Łódź – Piotrków Trybunalski – Częstochowa – Gliwice – Gorzyczki – border – (Ostrava)	2010
A2	(Berlin) – border – Świecko – Poznań – Łódź – Warszawa – Biała Podlaska – Kukuryki – border – (Minsk)	2013
A4	(Dresden) – border – Jędrzychowice – Krzyżowa – Legnica – Wrocław – Opole – Gliwice – Katowice – Cracow – Tarnów – Rzeszów – Korczowa – border – (Lvov)	2013
A18	(Berlin) – border – Olszyna – A4 (Krzyżowa)	2009

POLISH MOTORWAYS

Source: www.wikipedia.pl, GDDKiA

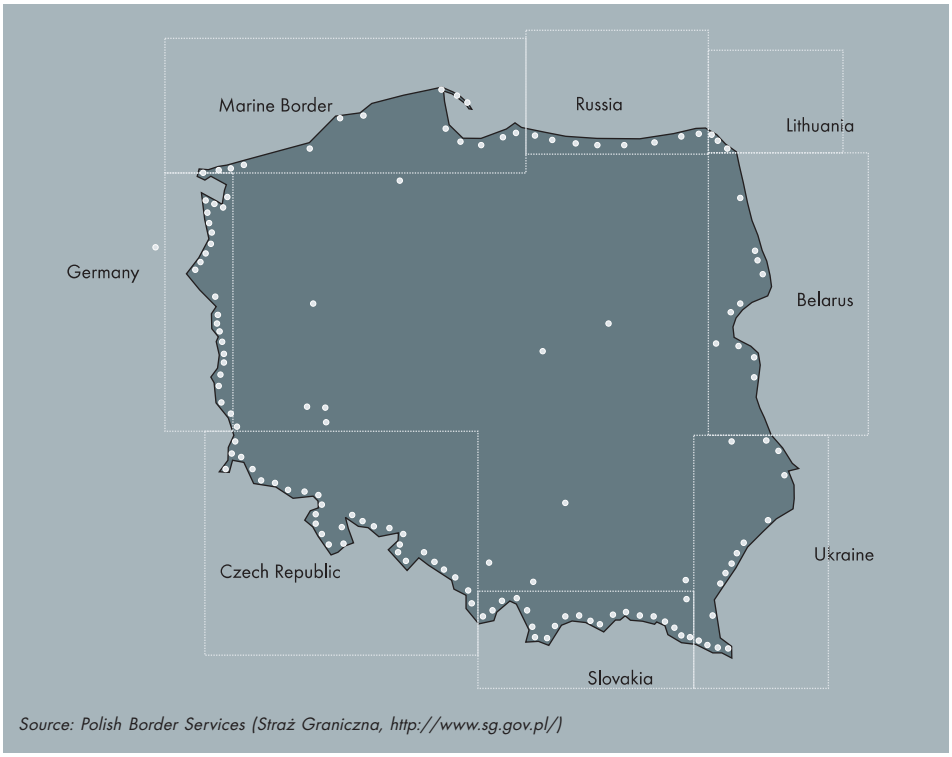
4. Road, air and sea border crossings

There are 5 types of border crossings in Poland:

- road border crossings: 198
- rail border crossings: 33
- air border crossings: 20
- sea border crossings: 19
- river border crossings: 6

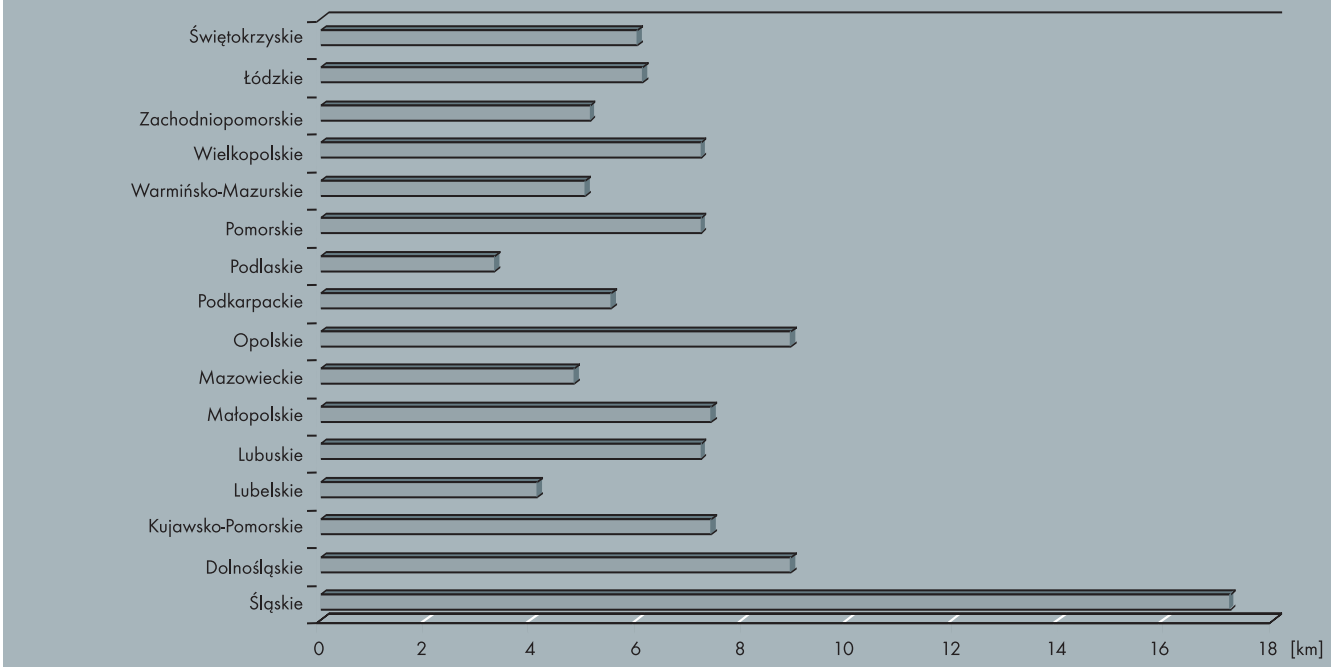
5. Railway network

There are significant differences between Polish regions in the density of the railway network, as presented on the graph below.



Source: Polish Border Services (Straż Graniczna, http://www.sg.gov.pl/)

EXPLOITED RAILWAY NETWORK (PER 100 SQ KM)



Source: Central Statistical Office (GUS)

- Domestic and international connections

Broad-gauge connections with Russia and other eastern states ensure fast, reliable and immediate links with eastern markets.

RAILWAY NETWORK

Source: Polish States Railways (PKP)

COMPARISON OF THE LENGTH OF RAILWAY NETWORK IN SELECTED EU COUNTRIES [KM]

	1997	1998	1999	2000	2001	2002
EU (25 countries)	**208,878**	**208,096**	**207,735**	**205,963**	**204,230**	**203,945**
EU (15 countries)	**158,225**	**157,570**	**157,579**	**156,224**	**156,050**	**155,698**
Belgium	3,422	3,470	3,472	3,471	3,454	3,518
Czech Republic	9,430	9,430	9,444	9,444	9,523	9,600
Denmark	2,248	2,264	2,756	2,768	2,768	2,779
Germany	38,385	38,126	37,525	36,588	35,986	35,803
Spain	16,322	16,275	16,403	16,384	16,384	16,529
France	31,821	31,770	31,735	31,397	31,385	31,320
Italy	16,030	16,080	16,092	15,974	16,035	15,985
Latvia	2,413	2,413	2,431	2,331	2,305	2,270
Lithuania	1,997	1,997	1,905	1,905	1,696	1,775
POLAND	23,328	23,210	22,891	22,560	21,119	21,073
Portugal	3,038	2,794	2,814	2,814	2,814	2,801
Slovenia	1,201	1,201	1,201	1,201	1,229	1,228
Slovakia	3,673	3,665	3,665	3,662	3,662	3,657
Finland	5,865	5,867	5,836	5,854	5,850	5,850
Sweden	10,941	10,997	11,044	11,037	11,021	11,095
United Kingdom	16,991	16,994	16,984	16,994	16,994	16,994

Source: EUROSTAT

- Railway network operators

The dominant role in railway transport is played by Polish State Railways (*Polskie Koleje Państwowe S.A.,* or "PKP"), which is owned by the state treasury. Since 2001 PKP has operated as a capital group composed of companies that specialize in certain types of transport, such as regional transport, long-distance transport, and cargo transport. In addition to PKP, many local railway companies also operate on the market. PKP and local railway network operators are described below.

NATIONAL:

Polish State Railways (PKP)

Network length, gauge and electrification (2004):

- 19,435 km standard gauge, 11,953 km electrified at 3000 V

- 394 km broad gauge (1,520 mm), not electrified

At the end of 2001 the old PKP was split up into different subsidiaries. The most important for railway operations are:

- PKP Intercity (long-distance passenger traffic)
- PKP Przewozy Regionalne (regional passenger trains)
- PKP Szybka Kolej Miejska (commuter traffic around Gdańsk/Gdynia/Sopot)
- PKP Warszawska Kolej Dojazdowa (commuter traffic around Warsaw, since sold)
- PKP Cargo (freight traffic)
- PKP Linia Hutnicza Szerokotorowa (broad-gauge trains to Ukraine)

In 2004 freight traffic was 156 million tonnes, 0.5 million tonnes more than in 2003.

All narrow-gauge lines (511 km in 2001) have been closed or sold to local communities. PKP does not operate trains on these lines anymore. The broad gauge line Ukraine-Huta Katowice is being extended to the Czech border (at Chałupki).

LOCAL:

KM – Koleje Mazowieckie (Mazovia Railways)

Network length, gauge and electrification (2005):

- standard gauge, electrified at 3000 V

KM is a new company, operating local trains around Warsaw. It has taken over trains and employees from PKP.

SKM – SKM Warszawa Sp. z o.o.

Network length, gauge and electrification (2005):

- standard gauge, electrified at 3000 V

SKM operates commuter services around Warsaw using hired PKP electric trains.

WKD – Warszawska Kolej Dojazdowa (Warsaw Commuter Railways)

Network length, gauge and electrification (2001):

- standard gauge, electrified at 600 V

This company operates light rail trains around Warsaw. It used to be a subsidiary of PKP, but was sold to the Mazovia regional authority at the end of 2004.

CTL – Chem Trans Logistic

Network length, gauge and electrification (2003):

- 130 km standard gauge, electrified at 3000 V

In 2002 CTL took over the Maczki-Bór "sand railway" in Katowice. They now (also) operate open-access freight trains throughout Poland. In 2002 the CTL group carried 1.5 tonne-km of freight.

EN – Euronaft-Trzebinia

Network length, gauge and electrification (2004):

- standard gauge, not electrified

LOTOS – LOTOS Kolej Spółka z o.o.

Network length, gauge and electrification (2004):

- standard gauge, not electrified

KW – Kuźnica Warężyńska

Network length, gauge and electrification (2005):

- standard gauge, not electrified

This former sand railway now operates local freight trains in the Łagisza area to the northeast of Katowice, and open-access coal trains to Katowice and Warsaw.

OK – Orlen Koltrans

Network length, gauge and electrification (2005):

- standard gauge, not electrified

Pol-Miedź Trans – KGHM Polska Miedź SA

Network length, gauge and electrification (2003):

- standard gauge, not electrified

Apart from shunting duties on its own network, this company operates open access trains with copper ore from Lubin Górniczy to the copper smelter in Głogów.

PRS – PCC Rail Szczakowa S.A.

Network length, gauge and electrification (2005):

- 210 km standard gauge, electrified at 3000 V

PTKiGK Rybnik – Przedsiębiorstwo Transportu Kolejowego i Gospodarki Kamieniem S.A., Rybnik

Network length, gauge and electrification (2004):

- standard gauge, not electrified

PTKiGK Zabrze – Przedsiębiorstwo Transportu Kolejowego i Gospodarki Kamieniem Sp. z o.o., Zabrze

Network length, gauge and electrification (2004):

- standard gauge, not electrified

The company is a private railway operator and has been active on the market since 1953. The company offers complete service and exploitation of railway sidings, railway transport of bulk commodities, forwarding and shipment as well as transport logistics. The company also specializes in repair and construction of track systems, repair of diesel locomotives and freight cars of various kinds as well as electric appliances and communication system devices. Earth work plays a significant role in the company's activity, including mining waste dumping and technical and biological land reclamation.

The company holds a licence for providing railway transport of bulk commodities, ISO 9001:2000 Certificate and Certificate of Safety. It has been awarded a European Medal for railway transport and complete operation of sidings as well as land reclamation. Its customers include coal mines, sugar plants, power plants and many others.

RP – Rail Polska

Network length, gauge and electrification (2004):

- standard gauge, not electrified

In 1999 Ed Burkhardt (well-known from EWS in the UK and Eesti Raudtee in Estonia) founded this freight railway company. In 2003 the company bought up the Polish companies Kolex and ZEC-TRANS, which mainly operated coal trains from mines to power stavions.

TS – Transoda Sp. z o.o.

Network length, gauge and electrification (2004):

- standard gauge, not electrified

This company, based in Inowrocław, operates freight trains between Inowrocław/Janikowo and Gdańsk Kanał Kaszubski.

6. Pipelines

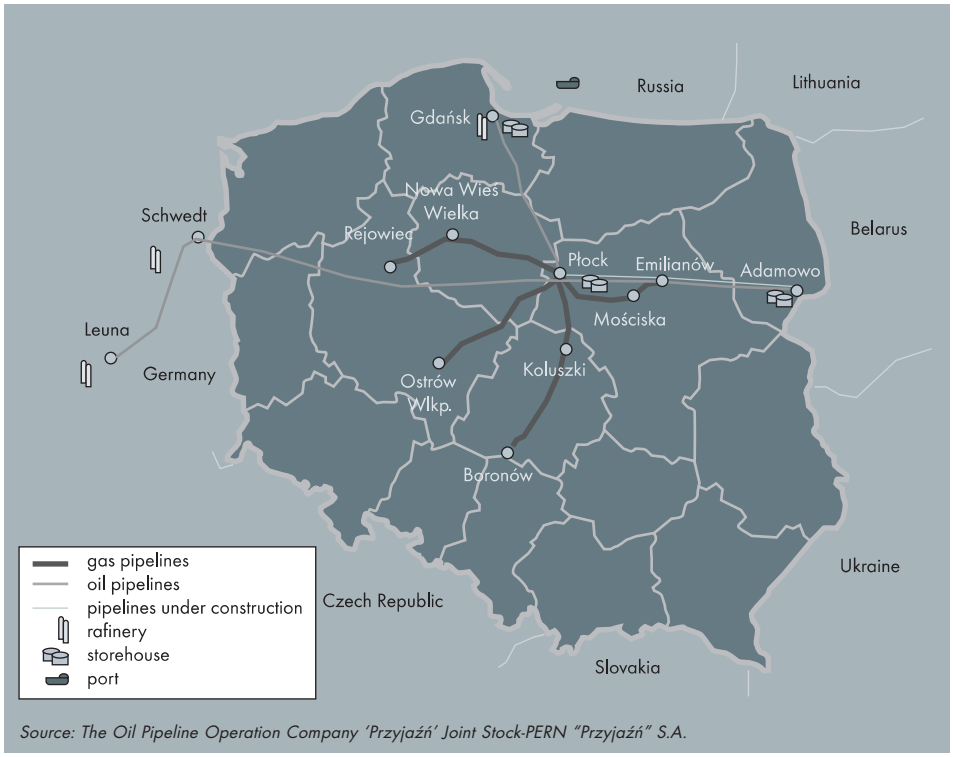
The main pipelines in Poland include the crude oil pipelines Adamowo-Płock, Płock-Schwedt and Gdańsk-Płock. The others connect industrial centres and generally run over short distances.

- Planned projects of pipeline construction

The development plans for pipeline construction consider two main directions:

Eastern – a third pipeline from Adamowo to Płock, which is currently under construction, will make it possible to adjust the capacity of the Polish pipelines to the capabilities of the northern part of the "Przyjaźń" pipeline. The new pipeline, despite important issues concerning the security of the country's energy supply, will also allow the development of crude oil transport services for other countries. The planned completion date of this investment is the end of 2006.

Southern – together with the Ukrainian Ukrtransnafta, construction of the Brody-Płock pipeline is continuing, which will enable the transport of up to 25 mln tonngs of Caspian crude oil yearly.



Source: The Oil Pipeline Operation Company 'Przyjaźń' Joint Stock-PERN "Przyjaźń" S.A.

THE TYPES AND LENGTH OF WATERWAY TRANSPORT AND THE CONDITION OF WATERWAYS – NAVIGABILITY OF RIVERS AND CANALS (ACCORDING TO CLASSES OF WATERWAYS)

Type of waterway	Overall		Classes of waterways							Exploited waterways	
			regional				international				
			Ia	Ib	II	III	IV	Va	Vb		
	km	share (%)	in km								Overall (%)
Overall	3,638	100.0	1,077	893	1,071	397	38	55	107	3,306	90.9
Navigable rivers	2,403	66.1	747	756	691	115	–	–	94	2,093	87.1
Channels on rivers	644	17.7	101	137	106	207	38	55	–	631	98.0
Channels	331	9.1	174	–	106	47	–	–	4	322	97.3
Navigable lakes	260	7.1	55	–	168	28	–	–	9	260	100.0

Source: Central Statistical Office (GUS)

- Renewable energy market in Poland
  - According to a Baltic Renewable Energy Centre report,[1] the share of renewable electricity in Poland in 2002 was 2.61%, of which large hydro accounted for 53.5%, small hydro 24%, biomass 17%, biogas 5%, and wind-generated electricity 0.5%. The projected share of renewable electricity production[2] in total electricity production in Poland in 2006 is 2.6%. In 2009 it should be 53%.
  - Poland does not take advantage of its potential in the field of renewable energy sources (RES). The total RES installed capacity in 2001 was only 939 MWe. The development of RES sources in Poland is hindered by general over-capacity in the Polish power sector, because there is no incentive to search for new RES sources.
  - Further barriers for creation of an effective renewable power market in Poland result from, among other things, conflicts between the interests of several lobbies from the RES industry and electricity producers and distributors, very poor high-voltage grids (especially in areas where wind energy may be produced), and lack of successful co-operation between central administration departments in the field of the RES.

7. Shipping infrastructure

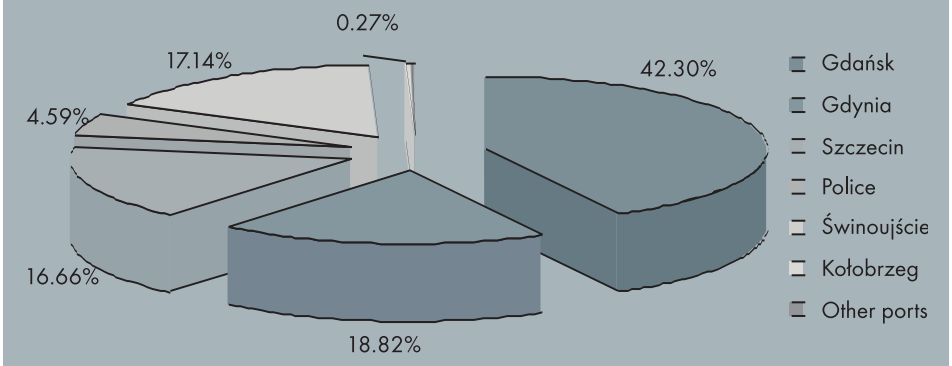
The length of the navigable inland waterways is 2,403 km, which accounts for 66.1% of all waterways in Poland. The Odra, lower Vistula, Warta and Noteć rivers, as well as waterways near Szczecin, Gdańsk and Warsaw, offer good conditions for inland navigation. Sand, gravel, coal, ores and fertilizers are the most frequently transported goods.

- Harbours (seaports and reloading ports)

The main commercial Polish seaports include Gdańsk, Gdynia, Kołobrzeg and Szczecin-Świnoujście.

The global level of international sea transport is falling and will also concern passenger transport in our country (in Poland this effect may be strengthened by the growing number of international airports as well as the wide range of transport services offered by cheap airlines in the EU). On the other hand Poland's growing position among the countries of EU will lead to growth in transport of commodities.

LOADS HANDLED IN POLAND'S LARGEST SEA PORTS IN 2004



Source: Central Statistical Office (GUS)

Overall change to year 2003 (2003=100)	109.9
Gdańsk	111.3
Gdynia	110.2
Szczecin	110.5
Police	107.5
Świnoujście	107.0
Kołobrzeg	101.7

Source: Central Statistical Office (GUS)

- Development of shipping infrastructure

The further development of ports (both inland and sea ports) in the upcoming years will be financed from public funds with help from EU structural funds. Such development plans are a part of regional development plans (for instance, the Naval Strategy for West Pomerania province for the years 2005–2015). Other investments in ports will be made by local authorities, as some of the sea ports are owned by certain cities.

8. Air infrastructure

Airports

The system of public airports in Poland for passengers includes a number of regional airports and the dominant Warsaw airport. Airports in Poland can be divided into:

- international connecting point
  - Frederic Chopin Airport, Warsaw
- community connecting point
  - John Paul II International Airport, Cracow–Balice
- regional and accessibility points
  - Lech Wałęsa Airport, Gdańsk
  - Katowice International Airport, Pyrzowice
  - Poznań-Ławica Airport
  - Copernicus Airport, Wrocław
  - Szczecin-Goleniów Airport
  - Rzeszów-Jasionka Airport
  - I. J. Paderewski Airport, Bydgoszcz
  - Łódź Airport
  - Zielona Góra-Babimost Airport
  - Szczytno-Szymany International Airport

[1] *Progress report on the EU Renewable Electricity Directive in Poland*

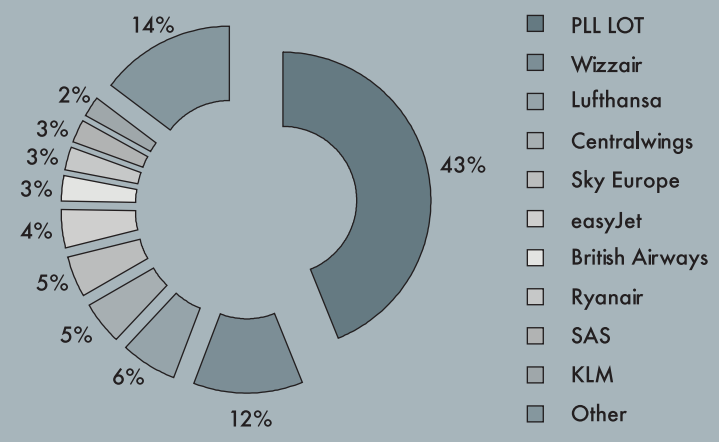
[2] H. Sadowski, *Prąd z wiatru*, Życie Warszawy, 24.04.2006

- local airports

Airlines

According to GUS there were 69 regular routes from Polish airports in 2004, of which 61 were international connections. Poland had regular connections with 32 countries and 56 cities all around the world in 2004. The examples of these connections are presented in the table below.

LEADING AIRLINES IN POLAND IN 2005



Source: Central Statistical Office (GUS)

- Selected international air connections from Polish airports

SELECTED INTERNATIONAL AIR CONNECTIONS FROM POLISH AIRPORTS IN 2004

from Warsaw to	distance (km)	from Cracow to	distance (km)
Amsterdam	1,102	Larnaca	2,172
Athens	1,602	London	1,469
Barcelona	1,870	Lyons	1,359
Beirut	2,349	Lvov	335
Berlin	523	Madrid	2,272
Brussels	1,147	Manchester	1,562
Bucharest	927	Tel Aviv	2,613
Budapest	539	**from Gdańsk to**	**distance (km)**
Chicago	7,518	Frankfurt	829
Dublin	1,825	Hamburg	560
Frankfurt	897	**from Poznań to**	**distance (km)**
Geneva	1,262	Frankfurt	634
Hamburg	753	Munich	557
Helsinki	940	**from Wrocław to**	**distance (km)**
Istanbul	1,380	Frankfurt	599
Kaliningrad	304	Munich	478
Kiev	721		

Source: Central Statistical Office (GUS)

- Forecasts of air passenger and air cargo transport

The tables on the right present the predicted number of passengers and quantity of cargo carried by Polish air transport. Both in passenger transport and in cargo transport, a growth trend is noticeable.

FORECASTS OF AIR PASSENGER TRANSPORT IN POLISH REGIONAL AIRPORTS (IN THOUSANDS)

	2005	2010	2015	2020
John Paul II International Airport, Cracow-Balice	1,096.47	1,847.62	2,948.44	4,641.55
Lech Wałęsa Airport, Gdańsk	727.00	1,531.00	2,026.00	2,236.87
Katowice International Airport, Pyrzowice	722.00	1,294.47	2,110.56	3,165.19
Poznań-Ławica Airport	570.00	1,539.00	1,964.20	2,412.73
Copernicus Airport, Wrocław	536.00	1,042.80	1,308.00	1,465.00
Szczecin-Goleniów Airport	260.00	807.00	1,450.00	2,180.00
Rzeszów-Jasionka Airport	160.00	450.00	570.00	700.00
I. J. Paderewski Airport, Bydgoszcz	30.91	115.95	200.00	350.00
Zielona Góra-Babimost Airport	20.17	50.50	73.50	100.00
Łódź Airport	n/a	400.00	500.00	700.00
Szczytno-Szymany International Airport	7.80	86.10	200.00	360.00
Frederic Chopin Airport, Warsaw	6,259.25	7,450.78	9,658.28	12,304.32

Source: E. Marciszewska, D. Kaliński, "Transport lotniczy (Ekspertyza)", Warszawa, 2004

FORECASTS OF AIR CARGO TRANSPORT IN POLISH REGIONAL AIRPORTS (IN TONNES)

	2005	2010	2015	2020
John Paul II International Airport, Cracow-Balice	40,764	55,423	84,095	140,312
Lech Wałęsa Airport, Gdańsk	3,733	5,738	8,384	12,277
Katowice International Airport, Pyrzowice	3,105	7,606	10,075	11,123
Poznań-Ławica Airport	3,500	6,900	10,800	15,300
Copernicus Airport, Wrocław	5,016	11,370	19,492	33,127
Szczecin-Goleniów Airport	2,001	5,666	7,797	9,319
Rzeszów-Jasionka Airport	680	2,469	4,654	6,420
I. J. Paderewski Airport, Bydgoszcz	5,000	32,000	43,000	50,000
Zielona Góra-Babimost Airport	264	741	n/a	3,000
Łódź Airport	600	2,000	2,800	3,700
Szczytno-Szymany International Airport	n/a	10,000	50,000	150,000
Frederic Chopin Airport, Warsaw	n/a	1,000	2,500	10,000

Source: E. Marciszewska, D. Kaliński, "Transport lotniczy (Ekspertyza)", Warszawa, 2004

THE TYPES AND LENGTH OF WATERWAY TRANSPORT AND THE CONDITION OF WATERWAYS – NAVIGABILITY OF RIVERS AND CANALS (ACCORDING TO CLASSES OF WATERWAYS)

City	Year of foundation	Passengers in 2005	Transport of cargo in 2005 (tonnes)	Owner	Number share of PPL
Warsaw	1920/1934	7,071,667	48,535	Polish Airports State Enterprise (PPL)	100.00%
Cracow	1964	1,564,338	3,255	Cracow-Balice Airport (Port Lotniczy Kraków-Balice Sp. z o.o.)	85.04%
Katowice	–	1,083,517	5,636	GTL S.A. (Górnośląskie Towarzystwo Lotnicze S.A.)	20.07%
Gdańsk	1919/1974	677,946	3,433	Gdańsk Airport (Port Lotniczy Gdańsk Sp. z o.o.)	37.61%
Wrocław	1945	454,047	1,377	Wrocław Airport (Port Lotniczy Wrocław S.A.)	47.62%
Poznań	1921	399,255	2,166	Poznań-Ławica Airport (Port Lotniczy Poznań-Ławica Sp. z o.o.)	63.64%
Szczecin	1967	100,847	656	Szczecin-Goleniów Airport (Port Lotniczy Szczecin-Goleniów Sp. z o.o.)	59.23%
Rzeszów	1959	91,499	488	Polish Airlines State Enterprise (PPL)	100.00%
Bydgoszcz	1929	38,682	1,359	Bydgoszcz Airport (Port Lotniczy Bydgoszcz S.A.)	27.94%
Łódź	1925	18,063	0	Lodz Wladyslaw Reymont Airport (Port Lotniczy Łódź im. Władysława Reymonta)	0.00%
Zielona Góra	1977	427	0	Polish Airlines State Enterprise (PPL)	100.00%
Szczytno	1996	0	0	"Mazury-Szczytno" Airport (Porty Lotnicze „Mazury-Szczytno" Sp. z o.o. w Szczytnie)	32.52%
Total		11,501,242	65,868		

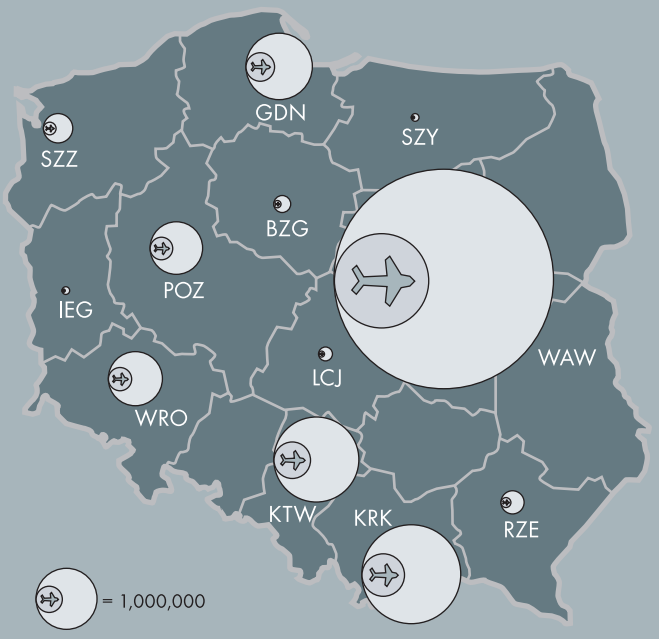
Source: Central Statistical Office (GUS)

- Types, number of airports and number of air connections

The system of public airports in Poland used for passenger transportation includes 11 regional airports and one dominant capital airport (Frederic Chopin Airport, Warsaw) which handles most passengers using air transport.

After liberalization of the air transport market in 2004, most of the regional airports (particularly those placed in major cities) have developed their own international connections, especially with the support of cheap airlines like easyJet, Germanwings, Ryanair, SkyEurope and Wizz Air.

AIRPORTS IN POLAND PASSENGERS IN 2005



Source: http://commons.wikimedia.org

NETWORK OF REGULAR AIR TRANSPORTATION IN 2004

		2003	2004
Number of air connection		75	69
	national	11	8
	international	64	61
Number of states with wchich regular air transportation is kept		32	32
Number of cities with which regular air transportation is kept		56	56
	including national connection	10	8

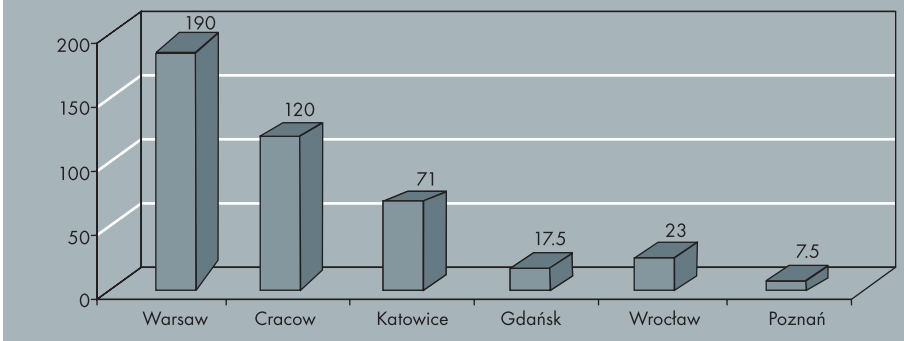
Source: Central Statistical Office (GUS)

Air transport development

According to the strategic document prepared by the Ministry of Infrastructure in 2003[3], the plan for airport infrastructure development includes the following schemes:

- further development and modernization of the central Chopin International Airport (Warsaw-Okęcie),
- building a new airport in Warsaw,
- development of the main regional airport, John Paul II Airport in Cracow-Balice, as a supporting airport for Warsaw servicing international short- and medium-distance flights;
- development of regional airports to serve international short- and medium-distance flights and domestic flights,
- development and modernization of local airport infrastructure.

IINVESTMENT PLANS IN POLISH AIRPORTS IN 2006 (PLN MILLION)



Source: Central Statistical Office (GUS)

9. Logistics

- General characteristics of logistics sector

2005 was a year of rapid growth in the logistics sector. The warehouse surface in Poland has grown up to 1.85 million sq m, and 28 new warehouses (with total space of 540,000 sq m) were finished.

The total amount of new storage space was almost four times that of the prior year. Most of it was located in Upper Silesia and in the vicinity of Poznań, Piotrków Trybunalski, Łódź and Wrocław.

MAIN LOGISTICS CENTRES IN POLAND

Source: Central Statistical Office (GUS)

[3] *"Information on directions for growth in civil aviation through 2010" (Informacja o kierunkach rozwoju lotnictwa cywilnego do roku 2010)*

10. Municipal infrastructure

- Length of municipal distribution systems
- Access of households to infrastructure in cities

Access to certain items of municipal infrastructure is dependent on the number of infrastructure systems installed in the city. The current situation in Poland is shown by the table below. Nearly all of the cities have the four basic systems: water, sewerage, electricity, and gas lines (the smaller percentage is due to the low population among the smallest cities as well as the pipeline building costs in comparison to delivery of gas cylinders). The number of wastewater treatment plants is also high, with a growth trend in the number of wastewater plants with increased biogenic removal. The overall access of dwellings to major systems is therefore high. As stated above, for the systems with the lowest share, this is the effect of economic comparative costs and the population of certain cities.

Lenght of municipal distribution systems (thousand km)		
System	2004	2005
Water supply system	232.3	239.2
Sewerage system	68.9	73.9
Gas supply system	121.6	120.6

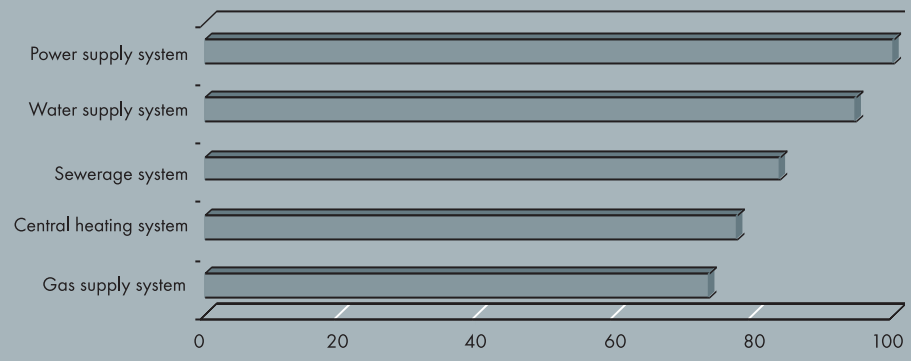
Source: Central Statistical Office (GUS)

THE TOTAL NUMBER OF TOWNS AND URBAN AREAS SERVED BY MUNICIPIAL INSTALLATIONS

Years	Towns	Of which urban areas served by								
		waterline system	sewerage system	electricity system	gas-line system	waste water treatment plants				urban transport
						total	of which			
							mechanical	biological	with increased biogene removal (disposal)	
1995	860	854	793	860	550	643	491	42	105	277
2000	880	877	845	880	614	801	522	247	30	261
2003	884	883	876	884	656	840	482	343	15	252
2004	886	885	878	886	657	849	464	375	10	259

Source: Central Statistical Office (GUS)

ACCESIBILITY OF DWELLINGS TO MUNICIPIAL INFRASTUCTURE



Source: Central Statistical Office (GUS)

- Production of electrical and thermal energy

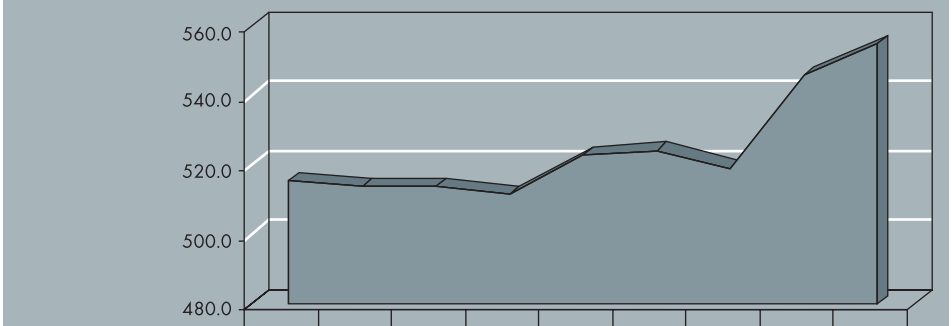
Production of thermal energy in the past years remains at a similar level. The only changes are visible in the growing share of heat generated in heat plants.

	2003	2004
Heat generation in autoproducing heat plants (TJ)	73,115	75,113
Heat generation in autoproducing CHP plants (TJ)	172,742	165,782

Source: Central Statistical Office (GUS)

Due to the economic revival in recent years in Poland and population growth, production of electricity has been growing since 2002 is likely to continue doing so.

PRODUCTION OF ELECTRICITY 1996–2004 (PJ)



	1996	1997	1998	1999	2000	2001	2002	2003	2004
Production of electricity 1996–2004	515.4	514.0	514.0	511.7	522.7	524.2	518.9	545.9	555.0

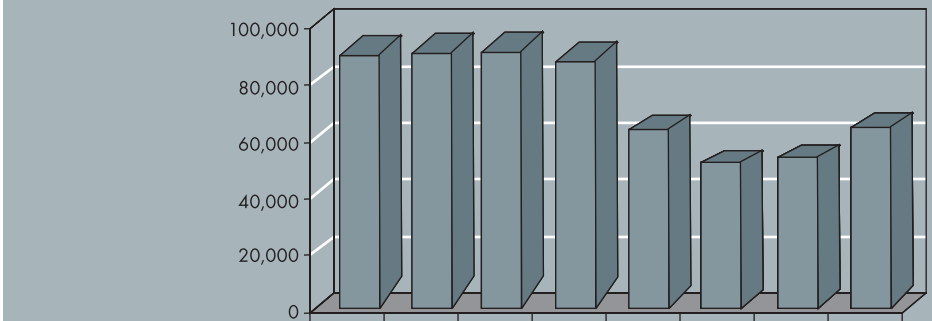
Source: Central Statistical Office (GUS)

11. Tourist infrastructure

- Foreign guests visiting Poland

The previous decrease in foreigners visiting Poland was caused by the terrorist attacks worldwide that caused a slump in tourist trips globally. Currently there is a steady increase in the number of visitors, especially from EU countries. The reason for this fact is broader promotion of Poland and specific tourist attractions, as well as stability in international relations. On the other hand, the decrease in the number of visitors from the other side of the eastern border (especially Belarus) is caused by the chill in international relations and the poverty of that nation. The most significant decrease concerns the sea border. This is caused by the growing number of cheap airlines and the international connections they offer.

FOREIGN GUESTS VISITING POLAND (THOUSANDS)



	1997	1998	1999	2000	2001	2002	2003	2004
Foregin guests visiting Poland (thousands)	87,817	88,592	89,118	84,515	61,431	50,735	52,130	61,918

Source: Central Statistical Office (GUS)

	1997	1998	1999	2000	2001	2002	2003	2004	2003=100
Overall arrivals	87,817	88,592	89,118	84,515	61,431	50,735	52,130	61,918	118.8
Airports	927	1,011	1,069	1,161	1,174	1,126	1,182	1,539	130.2
Czech Republic	20,855	21,373	18,239	16,803	13,442	12,073	12,353	13,127	106.3
Germany	49,172	50,700	52,448	47,047	29,606	22,339	24,191	32,875	135.9
Belarus	4,147	3,170	5,125	6,515	5,610	4,633	4,144	3,765	90.9
Lithuania	1,661	1,738	1,484	1,390	1,373	1,314	1,328	1,504	113.3
Slovakia	3,850	4,092	3,512	3,133	2,017	1,790	2,572	3,531	137.3
Russian Federation	985	731	1,060	1,210	1,042	853	620	672	108.4
Sea border	1,276	1,384	1,340	1,513	1,224	1,201	1,346	760	56.5
Ukraine	4,944	4,392	4,841	5,743	5,942	5,405	4,395	4,143	94.3

Source: Central Statistical Office (GUS)

- Hotels and facilities offering accommodation to tourists in Poland

	2004	2005
Tourist facilities	6,972	6,723
including hotels:	2,139	2,200
Beds (thousand)	584,672	569,896
including hotel beds:	165,360	169,609

Source: Central Statistical Office (GUS)

Despite the falling number of all tourist facilities the demand for such services is rather constant. Nevertheless the requirements of the clients have changed, and thus the total number of hotels is growing.

- Health tourism: dentistry, cosmetic surgery, health resorts etc.

The overall number of tourists that come to Poland can be estimated thanks to the statistics on arrival motives. The segment that includes dentistry, cosmetic surgery, and health resorts as motives for short-term visits is growing rapidly (from 7% of all short-term arrivals of this segment in 2003 to 10% in 2004). The main reason for the inflow of tourists is low prices throughout the country (below the EU average, especially in prices of medical treatment, which for example in 2006 is PLN 51.72 for a consulting visit to a second-graduated physician in specialist practice) as well as the growing number of services dedicated to foreigners.

Foreigners' expenditures in this sector are also growing rapidly. The overall sum of money spent on healthcare for visitors reached USD 65 million in 2005, which is USD 20 million more than in the previous year.

NUMBER OF CITIES WITH THE STATUS OF A HEALTH RESORT (2003)

Śląskie	2
Mazowieckie	1
Warmińsko-Mazurskie	1
Lubelskie	2
Podlaskie	2
Pomorskie	2
Świętokrzyskie	2
Kujawsko-Pomorskie	3
Podkarpackie	4
Zachodniopomorskie	4
Małopolskie	9
Dolnośląskie	11
Total cities	43
Total health resorts (hotels)	127
Beds	22,400

Source: GUS, 'Rzeczpospolita' (March 17, 2006)

12. Possibilities for financing infrastructure investments from EU funds

- The most important financing programme for the upcoming years is considered to be the Infrastructure and Environment Operation Programme, which is a part of Poland's Cohesion Strategy. It will be coordinated by the Ministry of Regional Development and province governments. The main priorities for financial support under the programme include the following areas:
  - Priority 1. Water supply system
  - Priority 2. Waste disposal and land surface protection
  - Priority 6. TEN-T trans-European transport networks
  - Priority 7. Environment-friendly transport
  - Priority 8. Safety of transport and national transport networks
  - Priority 9. Road infrastructure of eastern Poland
  - Priority 10. Power industry safety
- It is assumed that in the years 2007–2013, the total sum of EUR 26,054.8 million will be allocated for Environment Operation Programme projects, of which EUR 21,275.2 million will come from the EU budget and EUR 3,754.6 million from Polish public resources. Projects will also be financed from private resources in the amount of EUR 1,025 million.
- The majority of EU funds (EUR 7,400 million) will be spent on the realization of Priority 6 (TEN-T trans-European transport networks), 30% of which is to be spent on motorway infrastructure, 65% on other roads and the remaining 5% on airports.
- A total of EUR 5,990.0 million will be allocated for projects of Priority 7 (environment-friendly transport), of which 54% will be allocated for TEN-T railway lines, 7% for other railway lines, 7% for ports, and 7% for rolling stock.
- Under the Environment Operation Programme, EUR 2,500.0 million will be allocated for investment in the water supply system (Priority 1).

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