

CENTRAL TRANSPORTATION PORT – HUGE INVESTMENT IN THE MIDDLE OF POLAND

THE PENNY HAS DROPPED

It's official - the Central Transportation Port (formerly known as Central Airport) will be located between Łódź and Warsaw. It is expected to compete with Europe's largest airports. The construction decision was approved by the Economic Committee of the Council of Ministers on March 15. Currently the Ministry of Infrastructure and Construction together with the Ministry of Development are preparing a resolution regulating the financing, implementation, and operation of the Central Transportation Port (CPK).

CONVENIENT LOCATION

The Mazovian plain, 36 km west of Warsaw, located in the municipality of Baranów in the Grodzisk Mazowiecki district, was considered to be the most optimal location for the airport. The airport will be connected by the Central Railway Line and A2 motorway, as well as by the planned trans-European (Berlin-Moscow) high-speed rail line.

CAPACITY NEEDS

One of the arguments behind the construction of the CPK is that the largest airport in Poland, the Warsaw Chopin Airport, is nearing its full capacity, which is 20 million passengers per year, according to some experts.

The CPK is initially planned to handle 50 million passengers per year, and eventually increasing to 100 million. Therefore, potential investments will include not only the construction of an airport with terminals, parking lots and runways, but also the construction of access roads. It is also possible that a new railway line will be built to link the airport with Warsaw, as well as housing for employees.

A PERSON IN CHARGE

At the beginning of May, Prime Minister Beata Szydło announced the Government Plenipotentiary for the Central Transportation Port would be former Deputy Minister of the Treasury, Mr. Mikołaj Wild. The tasks of the plenipotentiary will include the preparation of the project assumptions and the supervision of the execution of the CPK investment. In addition, the plenipotentiary will be responsible for submitting proposals for necessary legislative changes and changes in government strategic documents. According to preliminary estimates, the planned construction will last about 10 years, until 2028.

HOW THE INVESTMENT IS GOING TO BE FINANCED?

EU funds cannot be used to construct the airport, but they can be tapped for financing the building of road and railway infrastructure. The President of the Polish Development Fund (PFR) Paweł Borys announced at the end of March the initial concept of financing the construction of the CPK, prepared by the PFR. He added that such financing would "not burden the state budget", and that the Fund has sufficient funds to participate in this undertaking. So far, funding details have not yet been made public. According to estimates, the construction of the airport itself could cost about 20 billion zlotys (approx. EURO 4.7 billion), while the total cost of the investments including, the construction of a railway terminal and logistic infrastructure, could potentially exceed 30 billion zlotys (approx. EURO 7.1 billion).

OPPORTUNITY FOR POLISH-CHINESE COOPERATION

In the middle of May, Prime Minister Beata Szydło attended the Summit of the Belt and Road in China. On the list of more than 270 achievements of this meeting there was also placed the signing of a contract between Polish and Chinese state railways on facilitating container transport. The President of China repeated the assurances about the opening of new credit lines by China Development Bank and China Exim Bank. The purpose of the meeting was also to discuss potential cooperation in the construction of CPK. As of the end of April, the CEO of AIIB (Asian Investment Bank), Yee Ean Pang, confirmed his interest in co-financing the CPK.

No form of financing has been ruled out so far, including the PPP model or the use of other financial instruments - we will keep you informed about further developments in the design of this gigantic investment.

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