Strengthening competitiveness of the European regions through improvement of the transport links

‘Rail Baltica’ project (Warszawa – Białystok – PL/LT border)
• As a member of the EU, Poland is among the countries who are undertaking different actions aiming at improving the competitiveness in national and international dimension. One of the pillars of competitiveness of economies is the infrastructure, which is assessed as one of the basic prerequisites providing with numeros opportunities for economic development and growth.

• Underdevelopment of Polish infrastructure, particularly in rail sector is continuing to be a barrier not only for the further development of Polish companies, regions and economy, but also for the whole EU.

• The rail is very important determinant for the economic development and therefore EU funds are being regularly allocated in order to allow its modernization/rehabilitation/new construction.
• There are many determinants driving productivity and competitiveness. Understanding the factors behind this process has occupied the minds of economists for hundreds of years, ranging from Adam Smith’s focus on specialization and the division of labor to neoclassical economists’ emphasis on investment in physical capital and infrastructure, and, more recently, to interest in other mechanisms such as education and training, technological progress, macroeconomic stability, good governance, firm sophistication, and market efficiency etc.

• While all of these ideas are likely to be important, they are not mutually exclusive—two or more of them can be true at the same time, and in fact that is what has been shown in the economic literature.

This open-endedness is captured within the GCI by including a weighted average of many different components, each measuring a different aspect of competitiveness.

These components are grouped into “12 pillars of economic competitiveness”.
Global competitiveness scheme

*The global competitiveness index 2012-2013
• Extensive and efficient infrastructure is critical for ensuring the effective functioning of the economy, as it is an important factor determining the location of economic activity and the kinds of activities or sectors that can develop in a particular economy.

• Well-developed infrastructure reduces the effect of distance between regions, integrating the national market and connecting it at low cost to markets in other countries and regions.

• The quality and extensiveness of infrastructure networks significantly impact economic growth and affect income inequalities and poverty in a variety of ways.

• A well-developed transport and communications infrastructure network is a prerequisite for the access of less-developed communities to core economic activities and services.
• Effective modes of transport, including quality roads, railroads, ports, and air transport, enable entrepreneurs to get their goods and services to market in a secure and timely manner and facilitate the movement of workers to the most suitable jobs.

• Economies also depend on electricity supplies that are free of interruptions and shortages so that businesses and factories can work unimpeded.

• A solid and extensive telecommunications network allows for a rapid and free flow of information, which increases overall economic efficiency by helping to ensure that businesses can communicate and decisions are made by economic actors taking into account all available relevant information. This is an area where the crisis may prove to have positive longer-term effects, given the significant resources earmarked for infrastructure development by many national stimulus packages, including those of the United States and China.
The railway E 75 Warszawa – Białystok – Suwałki – Trakiszki – PL/LT border, is part of the 1\textsuperscript{st} corridor defined as Rail Baltica.

The railway connects Helsinki via Tallinn, Riga and Kaunas with Warszawa.

It is the only rail connection between the Baltic States and Poland, with the possibility of connections to other capitals like Prague, Berlin and Vienna, as the 1\textsuperscript{st} corridor connects in Warsaw with the 2\textsuperscript{nd} (railway E 20) and 4\textsuperscript{th} (railway E 65) corridors.
Main targets of Rail Baltica project:

- works on section Białystok – Ełk (V=120 km/h)
- modernisation Ełk – Suwałki (V=160 km/h), including construction of new Olecko by-pass,
- works on section Suwałki – Trakiszki (V=120 km/h)

Envisaged effects:

- Improvement of capacity and quality of connections in international traffic
- Improvement of travel comfort
- Improvement of passengers safety
- Improvement of safety on road crossings by installing protective devices and construction of grade-separated intersections
- Elimination of architectural barriers for people with limited mobility
- Reduction of negative environmental impacts
- Rail Baltica is a part of core TEN-T (Reg. 1315/2013)
- It is also part of core network corridor North Sea – Baltic Sea (Reg. 1316/2013)
- The main goal of modernisation the Polish part of Rail Baltica are:
  - Adjustment of rail infrastructure to the regulation of Directive 2008/57/EC on the interoperability of the rail system within the Community
  - improving the line capacity as well connections within international traffic
  - increasing the efficiency of traffic control system
  - upgrading the environmental protection along railway line
  - increasing the safety of dangerous freight transport
  - raising the level of railway safety
  - developing new computer equipment of automatic train operation system ensuring their co-operation with ERTMS/ETCS - Level 2, according to the protocol Euroradio+/ Subset098. at all stations
  - upgrading the max. speed on some sections up to 160 km/h for passenger trains and 120 km/h for freight trains, with max. pressure on axle of 221 kN/axle
  - building the new two-level crossings
Modernisation of Rail Baltica - map

- Works on the E 75 railway line in Białystok – Suwałki – Trakiszki – state border section (construction works)
- Works on the railway line no 6 in Białystok – Sokółka – Kuźnica Białostocka (state border) section (construction works)
- Works on the E 75 railway line in Sadowne – Białystok section along with remaining works in Warszawa Rembertów – Sadowne section
- POIiŚ 7.1-75 E 75 railway line modernisation in Sadowne – Białystok section along with remaining works in Warszawa Rembertów – Sadowne section – preparatory works
- ISPA/FS nr 2002/PL/16/P/PA/008 Technical Assistance for project Preparation „E 75 Railway Line Modernisation in Warszawa – Białystok – Suwałki – Trakiszki – state border section (Rail Baltica)”
POiSiŚ 7.1-22.1 „ E 75 Rail Baltica railway line modernisation Warszawa – Białystok – PL/LT border, stage I, in Warszawa Rembertów – Zielonka – Tłuszcz (Sadowne) section”

Total cost: 1 653,3 mln zł / 393 699 099,87 EUR

Date of accomplish the last contract for construction works (planned): 2015

Scope of the project:

- Modernisation of existing railway lines – total length 66,5 km:
  - No 449 in Warszawa Rembertów – Zielonka section along with building passenger stop Mokry Ług
  - No. 6, section Zielonka – Sadowne
  - Construction two new railway tracks in Zielonka – Wołomin Słoneczna section (for agglomeration and regional trains)
- Building new engineered structures and acoustic baffles
- Re-building new railway platforms along with equipment (fulfilment TSI PRM)
- Modernisation of level crossings
- Development of railway systems: DSAT, automatic block
- Renewal of catenary
- Development of telecommunication facilities and radio communications.
The EU perspective 2007-2013 – projects on-going (2)

POIŚ 7.1-75 „E 75 railway line modernisation in Sadowne – Białystok section along with remaining works in Warszawa Rembertów – Sadowne section – preparatory works

Scope of the project:

- Design and construction documentation for modernisation Sadowne – voivodeship border section (from km 71,800 to km 107,260)
- Design and construction documentation for building the road viaduct in Tłuszcz
- Design and construction documentation for building the road viaduct in Mokra Wieś
- Design and construction documentation for building the road viaduct in Zielonka
- Design and construction documentation for modernisation Czyżew – Białystok section (from km107,260 to km 178,500)

Total cost: 110 mln zł / 26 194 218,22 EUR

Date of accomplishment the last contract for construction works (planned): 2015
Identified general problems

• Social protests
• Bidders appeals (prolonged tender procedure)
• Biebrzański National Park - ecologs protests

Project specific

• Risk of delay in issuing environmental decision for the voivodeship Podlaskie. It may result from protests of individuals and pro-ecological organizations
• Risk of non-obtaining the complete location decision for railway lines.
• Risk of non obtaining the complete building permits. Due to delay in obtaining a location decision and environmental decision.
• Risk of costs increase resulting from differences among the functional and operational program and construction project and the demands of the local authorities of construction works.
Works on the E 75 railway line in Sadowne – Białystok section along with remaining works in Warszawa Rembertów – Sadowne section

Total cost: 3 000 mln zł / 700 mln EUR
Source of funding: Connecting Europe Facility (call 2014)
Date of the investment: 2016 – 2020

Scope of the project:
• Re-building mainline tracks with subgrade
• Re-building railway stations with full equipment (fulfilment TSI PRM) and facilities for freight transport
• Re-building and construction new engineered structures (i.e. bridges, viaducts in Tłuszcz, Mokra Wieś, Zielonka)
• Modernisation of level crossings
• Modernisation of railway traffic control system, including automatic block
• Re-building and construction the new telecommunication systems, wire- and radio-communication
• Re-building catenary
• Building new non-traction facilities sections
• Re-building and construction new generating stations
• Equipping railway line with diagnostic devices, including rolling stock failures detection
• Applying new IT standards for traffic management
• Introducing new safety and operating principles for railway transport
• Upgrading the environmental protection during modernisation and after the works
Works on the E 75 railway line in Białystok – Suwałki – Trakiszki – PL/LT border section

Total cost: 2 500 mln zł / 600 mln EUR
Source: Connecting Europe Facility
Date of the investment: 2018 – 2020

Scope of the project:
A feasibility study for the task „Works on the E 75 railway line in Białystok – Suwałki – Trakiszki – PL/LT border section” is currently being prepared.

The planned date to complete the feasibility study: 4Q 2015
Why macro-regional strategy is needed?

- incorporate principles of integration, coordination, cooperation, multi-level governance and partnership;
- stresses that prominence should be given to strategic relevance issues with added value to horizontal EU policies;
- include both challenges and opportunities;
- better address coherence of EU policies, improve overall policy development;
- develop new projects, momentum to existing ones;
- facilitate networking and creation of joint initiatives, as well as political decisions at collective level;
- use more efficiently money and pooling of resources;
- promote integrated approach and greater coordination;
- improve existing cooperation mechanisms and strengthen cooperation between participating countries and neighbouring non-EU countries.
Realisation of Macro-regional strategies.

**Key features:**

- Recognition of macro-regional strategies as horizontal responsibility of governments concerned;
- Ensuring appropriate administrative staff and resources;
- Monitoring and evaluation of the approach should be based on realistic indicators and targets as well as an overview of priority area activities, etc.
- The leadership and ownership of MS/regions concerned should be then further strengthened;
- Strategy should have a strictly limited number of well-defined objectives with a clear macro-regional dimension and an appropriate set of indicators to measure progress;
- There must be readiness to translate political commitment into administrative support.
Thank you for attention