Shipping Policy and Seaport Development in Poland

Potrykowski, Marek, Dr.; Taylor, Zbigniew, Dr., Polish Academy of Sciences, Institute of Geography and Spatial Organization, Krakowskie Przedmiescie 30, PL-00-927 Warsaw, Poland

Part I: Essential Features of the Polish Shipping Policy

Introduction

The concept of shipping policy is generally understood as the aims assigned by the state to the merchant fleet, which is part of the national economy, and the economic, administrative and legal measures which are used in the pursuit of these aims. The present paper will outline the aims of and factors influencing the Polish shipping policy and the essential features of the development of the Polish maritime shipping.

The factors which influence the Polish shipping policy can be divided into those which are relatively permanent, i.e., which operate independently on the state of the national economy and on the current situation in world markets, and those which are part of the current internal and international situation (Borowicz 1982). Regarding the permanent factors, mention is due primarily to the open character of the Polish economy, which results from the surplus of some materials (e.g., coal, sulphur, copper) and the shortage of others (e.g., liquid fuels, iron ores, materials for the textile industry).

Economic factors have contributed to orienting the Polish national economy towards the sea. Practically the whole territory of the country drains into the Baltic Sea and covers nearly the whole basins of the two main rivers — the Vistula and the Odra — while the most important source of seaborne cargo — the Upper Silesian Coal Basin — is situated at an equal distance from the ports of the E and the W parts of the coast.

Another permanent factor is the situation of the Polish seaports in relation to the international maritime and land transport routes. As Gdynia, Gdańsk and Szczecin (the three main Polish seaports) are situated peripherally, but nevertheless close to the largest European ports, Rotterdam, Antwerp, Hamburg, Bremen and London, Polish ships have easy access to a large concentration of cargo. Moreover, the S railway routes, roads and inland waterways in Poland are also parts of international routes connecting the country with Czechoslovakia and the countries of Southern Europe. In a sense, this gives Polish ports an international character.

In recent years, unfavorable internal and international conditions have been added to the above described long-term factors which are conductive to the development of the Polish sea shipping. These conditions, which are affecting adversely the effectiveness of the country’s shipping economy, are the following: (1) a regression in domestic production; (2) a heavy burden on the country’s payments situation; (3) a drop in exports and imports in trade with the western countries related to the restrictions imposed on the Polish foreign trade; (4) a stagnation in world production and exchange; (5) over-production of maritime shipping services (Borowicz 1982).

These factors are resulting and will continue to result in the future in declining profitability of shipping enterprises and will entail difficulties in obtaining the financial resources for the modernization of the merchant fleet.
Features of the Polish Shipping Policy in the Inter-War Years

In the inter-war period, or, to be more precise, in the first half of this period, the Polish merchant fleet was in the hands of private shipowners. This was due primarily to the fact that the state focused its efforts on maritime trade and on building a Polish port in Gdynia, which was to compete with the port in the Free City of Gdansk. As the private shipowners, however, lacked experience and appropriate capital and a crisis was arising, the private shipowners were unable to face up to the competition. In the 1930's, the state became the chief shareholder of the shipping companies Zegluga Polska and Polsko-Brytyjskie Towarzysto Okreutowe (Polish-British Shipping Company) (75% of the latter's shares belonged to the state) and set up the state enterprise Polskie Transatlantyckie Towarzystow Okreutowe GAL.

Constructing the port in Gdynia and making it the second largest port on the Baltic in terms of the volume of cargo (after Copenhagen) was the most important Polish economic achievement in this period and a component of a longer historic process, which resulted in re-orienting the Polish foreign trade from its previous continental routes to largely maritime shipping through the ports of Gdynia and Gdansk.

Frontier changes after World War II additionally stimulated this trend.

Features of the Polish Post-War Shipping Policy

Due to the geographical distribution of Polish foreign trade, in the late 1950's and early 1960's the following proportions developed and were maintained in the later years: two-thirds of the Polish trade is conducted along land routes (mainly with the neighbouring countries), and one-third — by sea (mainly with the capitalist and developing countries of diverse socio-economic systems). This one-third of Polish exports and imports accounted for most of the cargo transported by the merchant fleet; besides, the Polish fleet also transports cargo between foreign ports and transit cargo. Here are some telling figures from the years 1980–81. In 1981, the volume of Polish foreign commodities transported by Polish ships dropped to 20 million tons from 31 million tons in the preceding year. At the same time, however, the volume of cargo transported between foreign ports grew from about 7 million tons to 10 million tons, and the volume of transit cargo — from 1.5 million tons to 2 million tons. It may be inferred from these figures that the role of a transport agency is a prominent function of Polish shipping enterprises; when the turnover of Polish foreign trade declines, it is possible to bridge the gap at least in part by foreign cargo.

Until mid-1982, Polish ships were nearly exclusively the property of three shipowners: Polish Ocean Lines (PLO), which is based at Gdynia and deals with liner traffic, Polish Maritime (PZM), which is based at Szczecin and deals with tramp services and tankers, and Polish Baltic Maritime (PZB), which is based at Kolobrzeg and operates ferries and shortrange tramp ships.

In mid-June 1982, Polish shipping was re-organized in order to adapt it to the economic situation of the country and improve the economic efficiency of the fleet. Joint stock companies were set up.

1) The following companies were set up on the basis of the PLO:
   — Polskie Towarzystw Okreutowe SA (Polish company)
   — Polsko-Francuska Spółka Zegluga SA (Polish-French company, in operation since 1981)
   — Polsko-Hiszpańska Spółka Zegluga SA (Polish-Spanish company)
   — the state enterprise PLO dealing with liner traffic was preserved, but the tonnage of its vessels was reduced.

2) The company Zegluga Polska SA was set up on the basis of the PZM; the enterprise PZM was preserved, but it was restricted to tramping and the tonnage of the vessels was reduced. Moreover, the refrigerated shipping company Morskie Przewozy Chlodnicze SA was set up to serve deep sea fisheries.

The setting up of joint stock companies in the Polish maritime shipping represents an innovation in the Polish system of the management and organization of shipping and may exert an important influence on the overall organization of maritime enterprises in the future. The founders of these companies are legal persons involved in maritime trade, and financial institutions. The shares of the companies are at the disposal of the founders. The new companies closely co-operate with the previous shipowners, who render services to the companies under contracts.

The setting up of these companies, however, was not without precedent in the practice of the Polish shipping. Poland had earlier set up companies with the Democratic People's Republic of Korea and the People's Republic of China (the latter called Chińsko-Polskie Towarzystwo Okreutowe — Chinese-Polish Shipping Company). Moreover, as a result of unplanned purchases abroad on credit, Poland has set up companies with capitalist partners (France, Spain). The ships which are property of the Polish-French and Polish-Spanish companies are operated by the PLO as ships leased from these companies until the credits are repaid.

When the shipping companies were set up, the Polish authorities had in mind a special advantage which these companies represent — their structure may be relatively freely shaped (by adopting statutory regulations) and easily adapted to the changing conditions.