

Russia proposes Poland's participation in constructing a Baltic Nuclear Power Plant

On 21 May, during a session of the Polish-Russian Inter-Governmental Committee for Economic Cooperation in Moscow, the Russian Minister of Transport Igor Levitin officially proposed that Poland could participate in constructing a Baltic Nuclear Power Plant (BNPP) in the Kaliningrad region. Without Polish participation in such a project, including an agreement to link the energy systems of both countries, the economic justification for the project seems flawed. Constructing a power plant in Kaliningrad just before another one is planned to be built in Lithuania would make the second project questionable; such a decision may also influence the profitability of other projects in the region, including in Belarus and Poland. Russia's aims include significantly increasing the countries of the region's dependence on Russia in the energy sphere.

The idea of constructing the BNPP, which would generate 2300 megawatts of energy, first appeared at the beginning of 2008. Originally, the power plant was to export energy to the countries of the region, mainly Lithuania and Poland, and possibly to other EU countries, bringing Russia significant economic benefits. The BNPP is also intended to guarantee the energy self-sufficiency of the Kaliningrad region. Despite the cornerstone being laid in February this year, the construction of the power plant is not yet certain. No feasibility study has been conducted, nor are the sources for its financing known (a minimum of US\$6bn would be required). In recent months, Russia has been intensively searching for a foreign investor for the plant, to give this political project an economic basis; but Lithuania has rejected a proposal to participate in the construction, and so far Moscow has only succeeded in signing an initial memorandum with the Italian company Enel. The Russian aim is also to build an energy bridge between the Polish and Russian energy systems, without which it would be impossible to export the energy from the BNPP to the EU. Hence the Russian proposal that Poland should participate as a minority investor in the project, and also in the joint sale of the energy to the EU. <WojK>