



2009-06-23

## **Euroregion Baltic Transport Working Group**

### **Minutes of the transport group meeting and workshop in Shipping/aviation issues**

*Date: 9 June 2009*

*Time: 09.30-13.00*

*Venue: Pomeranian Chamber of small and medium Enterprises*

#### **Participants:**

*Suzanne Svensson, chairman ERB WG, Region Blekinge*

*Hans Håkansson, co-ordinator WG, Region Blekinge*

*PG Lindencrona, Region Blekinge*

*Erik Thorell, Region Blekinge*

*Viktor Koshelev, Kaliningrad Oblast*

*Pavel Bekker, Kaliningrad Oblast*

*Ryszard Toczek, Pomorski/ARCA*

*Henrik Eybye Nilsson, Bornholm*

*Ulf Andersson, The Region of south Smaland*

*Erik Ciardi, The Regional council in Kalmar Region*

*Åke Nilsson, - " -*

*Withold Kielich, Warminsko-Mazurski*

*Bozena Antonowitz, - " -*

*Alexandra Sudot, - " -*

*Boleslaw Piechucki*

*Iwona Tomczynska, Gdansk Airport*

*Pedro Canchaya, Stena Line Poland*

*Göran Christenson, Blekinge Flyg*

#### **Welcoming speech**

*Suzanne Svensson, welcomed all the members from the ERB transport group as well as invited guests from the private transport sector. And addressed a special thanks to the host who had made local arrangements for the workshop.*

#### **The purpose of the workshop**

*Hans Håkansson started the seminar by pointing out the relevance of this workshop: a) to strengthen the collaboration between the business sector and b/ highlight the development of regional maritime and aviation industry in the next years.*

### **Work shop presentations, market players**

The seminar, which had gathered about 20 participants from all ERB regions, began with **Göran Christenson, Blekinge Flyg**, invited by the secretariat of the Transport working group. He gave a presentation and information regarding difficulties for smaller regional flight companies to get routes profitable with concentration on the line Kallinge-Gdansk. Operations started 2007 but had to cease after already one year (2008) because of too low booking, above all from the Swedish side.

Blekinge Flyg gave a list of experiences which had forced the management to close down the line but also pointed out measures that have to be taken to support a possible re-opening of that route and ensure a long lasting success.

- *Schedule.* To get attraction for business travellers You need a morning and afternoon departure from each airport every day. The turnaround time in schedule was not optimal (one hour flying was ok but returnflight after already 1,5 hours was not suitable either for pleasure and business flights). A timetable with only three days departure a week couldn't either meet the demand for pleasure and business travelling.
- *Marketing.* Marketing activities should start at least a year before launching the line. In their case launch of the line and marketing activities started at the same time.
- *Websites* and search pages must be in operation from first day so people can compare prices and schedule with competitors on the same route.
- Region Pommern didn't give the same *support* in marketing the route from start as Region Blekinge, which is a need for a little regional aircompany. *But:* Airport in Gdansk gave 40 percent discount on landing fees the first 6 months. But one problem the company had was that they couldn't pay bunkers on invoice for 30 days as in Sweden. They had to pay on delivery.
- *Coordination.* Better coordination with other destinations in the Baltic/Poland could perhaps have given better economy. E.g. the morning flight to Poland from Sweden could, after leaving the passengers at Gdansk, combine the route with a turn around trip to some other destination in Baltic country and then pick up passengers for Sweden late afternoon at Gdansk.
- "*Fly on demand*" was discussed but the representative from the aircompany ment it couldn't be profitable.
- The year Blekingeflyg operated Kallinge (Sweden) – Gdansk 60 percent was Polish and 40 percent Swedish passengers. More effort has to be spent on marketing activities in Sweden.

**Iwona Tomczynska, Gdansk Airport**, presented very extensive and detailed statistics on the airport's development.

The yearly growth is between 7-14 percent looking over a 10 year period. During 2008/2009 (until May 2009) the amount of passengers went down by 12 percent as well as the amount of airline landings at Gdansk airport by 11 percent. This development can be traced back to the global financial crisis.

*New companies* that establish themselves at the Gdansk airport will receive a 40% discount on landing fees under a 6 months period.

*The municipality of Gdynia* is planning to start air traffic from a retired military airfield before 2012. This airport shall function as a compliment to the Gdansk airport.

- At the Gdansk airport currently *7 airlines fly to 30 different routes* and 10 countries in Europe. In Sweden they connect to Malmö, Gothenburg and Stockholm/Skavsta.
- Gdansk Airport is *the 3rd largest airport in Poland* following Krakow and Katowice. The airport capacity lies at ca 3 million passengers. In 2008 2 million passengers came through Gdansk.
- Wizz Air had the largest passenger flow in 2008 with 43,2 percent followed by Ryan Air with ca 14 percent , LOT 19 percent, SAS 8 percent and Lufthansa ca 8 percent. International traffic accounts for ca 85 percent and inland traffic for 15 percent.
- Most of *the international traffic from Gdansk* goes to London, 326 000 passengers, followed by Warsaw with 242 000. Biggest increase can be seen in flights to Oslo with 90 000 passengers. Low budget flights take a big part of the total amount of passengers per airline. Business travel takes up the biggest part of passengers organised by category (ca. 50 percent).
- Plans to increase the terminal capacity to 7million passengers are in the making.

**Pedro Canchaya, Stena Line**, gave their views on the ferrymarket in the south-eastern Baltic region. Shipping is affected by *the global economic crisis*, leading to a slowdown of transported cargo volumes.

Stena operates today with two ferries Karlskrona-Gdynia. A morning and an evening departure.

State Polish ownership in some Polish ferry companies could make these ferry companies press the prices for transportation on Sweden-Poland routes. Stena will not follow that way price-fixing on their transportation but instead will use good service and better geographical location of ports in Poland to compete with for the ferry service.

Pedro Canchaya suggested *a better promotion* from the regions and business companies by using Stenas homepage for advertising.

In 2007 travelled 430 000 passengers with Stena ferries and 75-80 percent were coming from Poland. Truck shipment was 87 000 units

and 72 000 was cars during the same year. More than 60 000 of the polish travellers are pleasure travelers. Turnaround passengers from Poland was about 25 000 passengers.

Stena Line are planning for extension the nearest years on the Karlskrona-Gdynia route by changing to bigger ferries. That means consolidation of existing traffic Karlskrona-Gdynia before opening new routes. The global economic situation will not bring new cargo and passenger volumes to the ferry routes. The Swedish number of passengers using the route must also increase the nearest years which means more money destined for marketing on the Swedish market.

*Bornholm* can be a potential for future traffic but there must also be a potential for cargo from Poland to Bornholm and v.v. if a new route from Poland should be opened. Kaliningrad have to add more of westbound unified cargo to get balance in the two geographical directions. But Kaliningrad/Baltiysk is a potential for future with good port modes.

### **Transport group meeting/next step**

In the subsequent meeting with the ERB transport group there were several of interesting discussions between ferry/aircompanies and delegates from the transport group how to increase regional flights and start new routes between regions and over the Baltic.

The Pomerania region, suggested, as well as the ERB secretariat in Gdansk, that the strategic work for the transport group should be more of lobbying activities and cooperation with market players from the private sector to develop new ideas how to increase transportation at sea and by air in the ERB area.

Several new EU projects in the transport field will start this year and the work in the transport group would perhaps concentrate more on how to support this work than start new projects. Use the transport group as an umbrella for activities within the transport fields and as a support/expert group for the board against the national levels in each country as well as lobbying against other Baltic organizations.

Delegates from Warmia Mazuri and Kronoberg presented ideas on how the regions could support the regional aviation issues and promised to show/send out the results of some investigations that were done previously. Kalmar Region could also contribute to this issue with the results of their previous studies.

The delegate from Bornholm raised the question of what possibilities there are to apply for EU-funds regarding marketing activities. Bornholm will take the lead in this question and report back at the next meeting.

The next core-group meeting will be held in Klaipeda the 5th of August.  
The above mentioned questions will be discussed as well as the  
collaboration with the East West TC and SonorA project.

Region Blekinge  
ERB Transport Group

*Hans Håkansson*  
*Co-ordinator*

*Suzanne Svensson*  
*Chairman*