

## **BSF supports Lower Saxony MPs on maritime information tour to the Baltic Sea Region**

*The parliament of the largest "land" in northern Germany sent its maritime expert MPs in March 2011 for a five days tour to companies and institutions around the Baltic Sea. Guided by Johann Heinrich Ahlers, chairman of Lower Saxony's State Parliament's Committee on ports and shipping, members of all political groups started their journey on March 20 that led them to Finland, Russia, Denmark and Sweden. Their objectives: deepen existing contacts, get new contacts, assess current development and infrastructure projects and meet the logistical challenges of ports and their customers in the Baltic region.*

They were attended by the former Federal Transport Minister and current President of the Baltic Sea Forum, Kurt Bodewig, as well as by senior representatives of Lower Saxony's Ministry of Economic Affairs, the infrastructure company NPorts and the Marketing Company Seaports of Niedersachsen. The first meeting took place in Helsinki on 20 March at the arrival day. Wilhelm Leeling, CEO of the Emden Anker Schiffahrts-Gesellschaft, and his expert Jan Remmers introduced the delegation before meeting their customer UPM-Kymmene, which is a large paper manufacturer worldwide. "Anker" is a key partner of the UPM in northern Europe and handles for UPM pretty 750,000 tons of pulp in the port of Emden annually, thus a major customers of Emden port.

The German Ambassador Dr. Peter Scholz started the second day. Being briefed in his residence, they went directly to UPM-Kymmene HQ's in Helsinki port. Company representatives presented UPM's entire portfolio, covering energy as well as the production of paper and other materials.

UPM's pulp business undergoes major changes. It is becoming one of the most important segments of the business finishing - thus the expectations of the UPM-manager - the existing dependence from the paper sector. New customers create more independence: By 2013 the number of customer may doubled - an ambitious goal. The logistics of UPM use two to three input ports for each market. Emden's seaport is fairly integrated today and in future. UPM is a global player. In Europe the quantities consolidate, growing demand comes from South America and China primarily. The members of Anker Schifffahrt and Chairman Ahlers expressed their hope that Emden's seaport will participate with these positive developments.

After UPM-Kymmene, shipbuilder Aker Arctic Technology Inc. was visited. Its marketing chief Arto Uuskallio presented the range of production, mainly the design and construction of icebreakers. These ships are of vital importance in the Baltic region what the delegation should experience hours later only.

Helsinki's auxiliary port Vuosaari was next stop. It was built and put into operation directly neighbouring the main port. The Committee had visited this port project already in 2006, now Vuosaari proofed it success for the region. The MPs expressed their hope the cooperation of Vuosaari with Lower Saxony's seaports should expand in future continuously.

On the ferry "Princess Mary", the delegation embarked in the evening of March 21, to ship to St. Petersburg overnight. On board Ralf Pospiech from Ministry of Economy gave an insight into current emerging markets in the Baltic region, focusing on St. Petersburg and its importance as a port of entry to Russia. Mercilessly then the Baltic Sea demonstrated the obstacles she is able to throw against the shipping industry and ship-owners: Due to heavy drift ice the ferry released speed, coming to stop sometime in the night finally. Eventually the captain had to order icebreakers from St. Petersburg. The icebreaker-knowledge from Aker Arctic Technology the MPs were able to test in practice. To take advantage of the delay, chairman Ahlers called a meeting on board. There information to the offshore industry in Lower Saxony was provided, presented by Ministry servant Ralf Pospiech.

One of the largest customers of Lower Saxony's seaports is the shipping company KESS, a division of K-Line group. Finally arrived in St. Petersburg the delegation met Tom Wendt, General Manager of this RORO Carrier. He emphasized the close connection of the shipowner to the ports of Emden and Cuxhaven. With about 350 arrivals in Emden and 180 in Cuxhaven p.a. KESS contributes significantly to the success of both seaports in the car-transport and RORO sector.

The break forced by the ice was a blue print to Mr Wendt for everyday problems for shipowners and logistics companies: delays disrupt the exactly calculated supply chains. To find quick solutions against it in winter months is a major challenge for the shipowner. The ambitious clientele of the car manufacturers usually shows poor understanding even for weather-based delays. The committee agreed to discuss that item with the automotive industry at the next possible meeting presenting its own experience with Baltic Sea ice. More understanding of the shipping companies will be required.

In the morning of March 23 there was a visit of the terminal operator "Petrolesport in the harbour of St. Petersburg. Representatives of the owners of 'Ntrans shared the company and presented the progress and the excellent outlook of the seaport.

St. Petersburg's port handles roughly 150 million tons currently, by 2020 about 400 million tons are expected, almost three times more. The essential restructuring and expansion projects have already begun. St. Petersburg welcomes the enlargement of the harbour in nearby Ust-Luga which is all but a rival. The harbour-enlargement in St Petersburg includes the Liquid Terminal, the RORO terminal, and the container and conventional piers finally. Already visible from the port is the ring road highway still under construction, it will improve the hinterland connections decisively.

Finally, there was an information reception given by the Port Authority St. Petersburg. Committee Chairman Ahlers expressed thanks for the quick support from St. Petersburg port authority in overcoming the ice hurdle. Information to infrastructure and custom regulations in St. Petersburg's harbour followed and to the RoRo-traffic, plus the importance of St. Petersburg for Russian markets and the cargo figures to be expected in the next years.

By late afternoon, the delegation went to Copenhagen, being briefed by deputy ambassador Zobel quite after landing. His information on Denmark's current economic situation met high interest.

Last day's March 24 first appointment was at Femern Belt A / S, accountable for Fehmarnbelt crossing. The Committee realised the internal competition between the tunnel and the bridge party with high interest. Actually the "Tunnel Group" has the odds, but final decision will be made in 2013 only. The chief of the tunnel project, Stehen Lykke was totally confident about the victory in favor of "his" project.

Discussing the Femern Belt crossing committee members referred now and then to the expected unfavourable impacts on Lower Saxony's seaports: In Lower Saxony short-sea traffic dominates which may be hit by this crossing and may effect less payload. The Danish side didn't share this concerns. They are convinced Lower Saxony's ports wouldn't be affected by Femern Belt crossing.

One of last stopovers was a reception given by Copenhagen Malmø Port AB (CMP) in the Copenhagen harbour. Marketing Coordinator Sören Balken specified the infrastructure and the superstructure in the port emphasising the car terminals, breakbulk, container and bulk handling facilities. The Fehmarn crossing was an issue, too, because Port of Copenhagen / Malmö management is concerned that the project will cost pay load. In this context it was a striking fact that there seems to be no assignment of particular load for Copenhagen or Malmo, the same group of goods are handled in each port instead. Then the Committee passed the new Öresund bridge by bus to Malmö. The town's port with its different terminals was studied in a harbor tour. Finally the information visit from Lower Saxony to the Baltic Sea region ended at the Malmö's ferry terminal.