

IMPROVED ACCESSIBILITY OF THE BALTIC SEA REGION BY AIR TRANSPORT



METHODS

RESULTS

EXAMPLES

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EDITORIAL

The free movement of goods, services, capital and people are the pillars of the European Union and form the essential basis for prosperity and employment in Europe.

A prerequisite to enabling the unfolding of these four fundamental freedoms of the internal market, which determine its attractiveness, is mobility.

This importance of mobility also applies to the Baltic Sea Region, where a good, accessible transportation system is a key factor for the continued positive development of this region. The INTERREG IV B BSR project BALTIC BIRD has set itself the goal of finding out what potential for innovation and growth exists in the air transport sector within the Baltic Sea Region, and how this potential can be harnessed. For more than two years, over 20 partner organisations from all over the Baltic Sea Region have been working to improve the accessibility of the region by air transport. The scope of this work includes the peripheral areas around the Baltic Sea. The partners also aim to open up opportunities for further economic development in the region.

Cooperation at the European level and participation in programmes initiated and financed by the EU provides the region's companies, corporations and various other organisations with a variety of opportunities. For example business models, developmental concepts and marketing strategies can be evaluated by comparing them with international standards. It is also possible to exchange ideas with partners from other EU countries and to find partners for other cooperative projects within the EU.

All of this strengthens the capacity of the regions and companies to participate in international work settings, while promoting

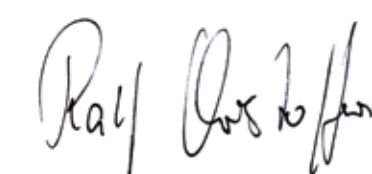
integration at the same time. In the end, the external representation and competitiveness of the companies will be improved.

The economic and innovative strength of the Baltic Sea Region provides an opportunity to create an important framework for a modern, future-oriented and socially balanced economic policy. Brandenburg sees itself as a part of this region, not only because of its cultural and historical roots there. That is why the Ministry of Economics and European Affairs of the State of Brandenburg has been glad to join the BALTIC BIRD project.

This brochure gives an account of the project activities and their results. It also shows what EU funding can achieve for specific regions and for the people living in them.

I hope reading this brochure will provide you with valuable information!

Yours sincerely,



Minister for Economics and European Affairs of the State of Brandenburg





THE BALTIC BIRD PROJECT



Improving the airside accessibility of peripheral Baltic Sea regions and enhancing intermodal interconnectivity to increase socio-economic cohesion and strengthen economic growth and ecological sustainability

BALTIC BIRD is an INTERREG IV B BSR project, co-financed by the European Union within the Baltic Sea Region Programme 2007-2013. The project, with an overall budget of 2.9 million euros, brings together 21 partners and 13 associated organisations from the Baltic Sea Region.

The Baltic Sea Region (BSR) has roughly 85 million inhabitants, which is about 17% of the EU's population. Nevertheless, many eastern and northern parts of the area are isolated and cut off from the rest of the EU. Reasons for this are varied, but poor accessibility has proven to be a key obstacle.

Since 2012, however, the BALTIC BIRD project is attempting to improve the accessibility of the peripheral Baltic Sea Region by air transport to strengthen them as attractive places in which to invest, work and live.

Transnational cooperation team

Built on the belief that this objective can only be achieved by involving all relevant regional and industrial players, and by combining resources and knowledge, the initiators

formed a transnational cooperation team of 21 partners and 13 associated organisations. The team consists of regional authorities, airports, economic development agencies and transport institutes from eight different countries (Denmark, Estonia, Finland, Germany, Latvia, Norway, Poland and Sweden) as well as five international airlines (Air Baltic, Air Berlin, Estonian Air, Flybe Nordic, LOT Polish Airlines).

Efficient transport connections

By contributing to the competitiveness and prosperity of the region, BALTIC BIRD aims to develop efficient and viable flight connections for peripheral Baltic Sea regions. New routes will mean faster accessibility to and from Europe's economic centres. The project partners expect that better accessibility will ultimately lead to an increase in economic and social integration.

The BALTIC BIRD project kicked off in March 2012 in Potsdam and will end with its final conference in September 2014. The lead partner of the project is the Ministry of Economics and European Affairs of the State of Brandenburg (Germany).

PROJECT PARTNERS



ASSOCIATED PARTNERS





More information:
Vision and strategies
around the Baltic Sea:
<http://www.vasab.org>



More information:
About the EU strategy
2020: http://ec.europa.eu/europe2020/index_en.htm



PROJECT BACKGROUND

Looking at the spatial structure and geography of the peripheral Baltic Sea Region (BSR) characterised by long distances and water barriers, one can see that only high quality air transport can sustainably support the Baltic Sea regions to **grow together, to enhance their competitiveness** and to **increase their social and economic cohesion**.

Following the EU strategy

Because of previously overlooked concepts, the BALTIC BIRD project explains how to **create better links with the remote and peripheral Baltic Sea Region** through time-sensitive internal and external air and inter-modal transport. Thus, BALTIC BIRD follows the EU Strategy for the BSR, and its goal to make the BSR an accessible, competitive and attractive place in which to live and work.

Baltic Sea Region Programme 2007-2013

The Baltic Sea Region Programme 2007-2013 is a transnational cooperation programme part-financed by the European Union and Norway. The Programme supports transnational projects working together to make the Baltic Sea region an attractive place to invest, work and live in. More information: <http://www.eu.baltic.net/>.

By developing **ecologically sustainable intermodal public transport connectivity concepts** in the BSR, BALTIC BIRD is also following the Gothenburg Agenda.

The project is part of priority 2 of the Baltic Sea Region Programme 2007-2013 and **supports the linkage of areas with low accessibility** with other Baltic Sea regions and with important economic centres in Europe.

Using infrastructure potential

Without the support of the BALTIC BIRD project, there would still be unsatisfactory inter-regional air services. In addition, the potential of the existing infrastructure in many regional airports would remain underused in marked contrast to the already well-developed and intense traffic between metropolitan areas.

AIMS & OBJECTIVES

The general objectives of the BALTIC BIRD project are to **improve the airside accessibility of the peripheral Baltic Sea Region and the intermodal interconnectivity of regional airports** to increase socio-economic cohesion as well as to strengthen economic growth, and ecological sustainability.

Dissemination of knowledge

The competitiveness and economic potentials of the peripheral Baltic Sea Region will be achieved by transnational development and the implementation of new routes and flight connections. The results can be verified and measured by GDP growth and increased employment opportunities.

BALTIC BIRD aims not only to achieve its sub-objectives during project realisation. The project is conceived as the start of a "life-process" of all actions (test case and implementation). Knowledge will be spread across the whole Baltic Sea Region.

Toolbox of instruments for airports

BALTIC BIRD jointly developed and worked on a **toolbox of instruments to set up new flight connections**.

This toolbox consists of:

- Passenger potential analyses;
- Public transport concepts for intermodal airport connectivity with surrounding regions;
- Support strategies for airport marketing to attract airlines, passengers and additional customer groups;
- Investigation of tourism destination development strategies for the peripheral Baltic Sea Region to stimulate the travel market and ensure a positive impact on economic development;

- Application guidelines for Public Service Obligations (PSO) and the Route Development Fund (RDF); and
- Analysis of the economic effects on the Baltic Sea Region of route development and PSO/RDF.

The achievement of these objectives will be measured by the number of new routes and the implementation of PSO and RDF. A joint policy framework paper will be developed at the end of the project lifetime and submitted to the EU Commission, summarising the key results of BALTIC BIRD and proposing ideas for future EU regional policy.

BALTIC BIRD improves the airside accessibility of the peripheral Baltic Sea Region as well as the intermodal interconnectivity of regional airports, e.g. of Tallinn Airport (Estonia, photo above) and Poznan Airport (Poland, photo below).



PROJECT REALISATION

PROJECT ACTIVITIES



To achieve better air transport networks and for improved access to regions of the Baltic Sea area, analyses of the passenger potential of the involved partner regions' airports were carried out. This looked at the potential for new or specified routes.

For the project implementation the activities have been divided into five inter-connected sections. During the work package (WP) "Passenger Potential Analysis", in-depth analyses of the passenger potential of the involved partner regions' airports were carried out. This looked at the potential for new or specified routes.

The WP "Intermodal Connectivity" evaluated gaps between the status quo and the potentials of public transport services connecting the Baltic Sea regions' airports with the surrounding areas in partner regions (SWOT analysis).

In the context of WP "Airport Marketing Strategies", the project partners and important stakeholders shared and analysed their knowledge and experiences with regard to airport marketing strategies.

Through best practice visits, case studies and discussions, the WP "Tourism Destination Development Concepts" explored the relationship between national and local tourism development and promotional interests, relevant airports, air operators, tour operators, and relevant national and EU policy with regard to the Baltic Sea Region.

The WP "Public Service Obligations (PSO)/ Route Development Fund (RDF)" concentrated on the analysis of regulations regarding PSO and RDF in the Baltic Sea Region as well as on studies on the regional economic justification of PSO and RDF.

For detailed information on each project activity please see page 14 - 31. An overview is given on page 9.

RESULTS & OUTPUTS

The transnational partnership of the BALTIC BIRD project has developed a **comprehensive toolbox including support strategies for airport marketing, PSO/RDF application guidelines, analyses of passenger market potential, SWOT-analyses and strategic options for airport intermodal connectivity**, as well as **tourism destination development guidelines** with the aim to improve the accessibility of the peripheral Baltic Sea Region by air transport.

The elements of the toolbox provide necessary **support for the regions and airports to utilise existing passenger market potential** and to **enable air transport** on routes which might not be economically viable in themselves but which have a significant economic

impact on the peripheral region by safeguarding its access to daily social and business life.

The integration of Baltic Sea areas with low accessibility is speeded up through **new flight connections** or the **retention of existing connections** to national and European business centres.

In addition, **the joint policy framework paper** will influence policies, strategies and regulations in the field of transport. The strategic options for the intermodal connectivity of regional airports will further increase the role of sustainable transport in the Baltic Sea Region.



For detailed project results please check www.baltic-bird.eu.

Work Package	Description & Aim	Tasks & Activities	Results & Outputs
Passenger Potential Analysis (page 12)	Analysing the market demand for air transport in the peripheral Baltic Sea Region, by reflecting the current travel demands of passengers to and from the Baltic Sea Region in order to initiate new flight connections to/from the peripheral Baltic Sea Region	<ul style="list-style-type: none"> Joint conceptual design of passenger market potential analysis Data collection Passenger market potential analysis Approaching airlines Implementation of new routes Calculating the ecological effects of potential new routes 	<ul style="list-style-type: none"> Passenger market potential analysis for the following airports: Aarhus, Berlin, Bodø, Bydgoszcz, Joensuu, Jyväskylä, Karlstad, Karup, Liepaja, Norrköping, Poznan, Savonlinna, Seinäjoki, Tallinn and Tampere
Intermodal Connectivity (page 16)	Giving project partners a precise and transparent look at strengths, weaknesses, opportunities and risks regarding the current and future linkage of their public transport services (PTS) with airports and air transport to improve sustainable intermodal connectivity	<ul style="list-style-type: none"> Joint conceptual design of SWOT-analysis tasks Data collection for SWOT-analysis Execution of SWOT-analysis Development of individual public transport services Implementation of new PTS Calculation of the ecological sustainability of new PTS 	<ul style="list-style-type: none"> SWOT-analysis Strategic options for improvement and feasibility studies on innovative public transport Two pre-investment studies: "City Air Terminals" and "Passenger Information Screen" Pilot investment in a passenger information screen Follow-up study on the evaluation of further options: "Interconnectivity for Karup Airport"
Airport Marketing Strategies (page 20)	Providing regions and their airports with a toolbox of marketing strategies to help attract airlines to set up new flight routes	<ul style="list-style-type: none"> Joint specification of the conceptual design for marketing strategy Development of airport marketing strategies Transnational implementation of marketing concepts at BALTIC BIRD partner airports Final evaluation 	<ul style="list-style-type: none"> Pilot project: "Two airports as one destination" (Norrköping & Karlstad) Final report: "Elaboration of an Airport Marketing Toolbox"
Tourism Destination Development Concepts (page 24)	Giving peripheral Baltic Sea regions a precise understanding of how to develop and implement a tourism destination marketing concept to utilise regional tourism potential and to increase the perception of the remote Baltic Sea Region as a tourism destination	<ul style="list-style-type: none"> Identification of partners' regional assets and collection of best practices Joint development of tourism destination strategy Implementation of tourism destination marketing concepts 	<ul style="list-style-type: none"> Final report: "Tourism Destination Development Guidelines" Final report: "Best Practice Site Visits"
Application Guidelines and Implementation of PSO & RDF (page 28)	Giving regions and their airports strategies on how to introduce public funding options to set up new flight connections	<ul style="list-style-type: none"> Analysis of PSO/ RDF regulations in Baltic Sea and other EU regions Investigation of regional economic justification 	<ul style="list-style-type: none"> Final report: "Moderation and Elaboration of PSO/RDF Guidelines" Final report: "Study on Regional Economic Justification of PSO/ RDF" Case Study on Economic Justification of PSO/RDF for Liepaja Airport

PROJECT TIMETABLE

Project activities started with a **kick-off-meeting in Potsdam in March 2012**. In April 2012 the partners began to work on the **conceptual design of the passenger potential analyses**. These integrate best practice experiences, ideas and requirements from airports, airlines and partner regions. Based on the findings, the partners started to approach airlines between October 2013 and September 2014.

Subsequently, the **best practices of airport interconnectivity** in peripheral and more central areas in the Baltic Sea Region have been identified. Together with the strengths, weaknesses, opportunities and threats (SWOT analysis) they have been integrated into the development of **strategic options for innovative public transport service (PTS)** solutions to enhance airport interconnectivity.

Furthermore, BALTIC BIRD has developed a **strategy toolbox** providing suitable instruments for partners to stimulate the introduction of routes to and from the Baltic Sea Region. A **pilot project** was executed to work on innovative marketing strategies to attract airlines to set up new flight routes.

The **development of application guidelines for PSO and RDF** and the **identification of the economic effects of route development** on the respective region took place between December 2012 and February 2014. The implementation phase of the project will end in September 2014 with the 5th General Assembly and the BALTIC BIRD Final Conference.



PASSENGER POTENTIAL ANALYSIS

Identifying the passenger potential of the involved partner regions' airports to ensure understanding of the market requirements in order to achieve better air transport networks and improve access to regions of the Baltic Sea area



The analysis of passenger market potential analysis refers not only to internal flight connections between the project's partner airports but also focuses on the external accessibility of the Baltic Sea Region, and above all on its peripheral regions in the North and East. In addition, direct impacts (air pollution) and the fuel consumption of new routes have been calculated and identified to investigate their sustainability.

➔ In-depth analysis of regional potential

The "Passenger Potential Analysis" is designed to give an in-depth analysis of an airport's passenger potential including the potential of new or specified routes. This task was assigned to the German company MKmetric GmbH, a company specialised in transport planning and modelling.

Analysis based on past airport data is somewhat complicated these days partly due to the split in delivery channels (different Global

Distribution Systems (GDS) are used). In addition, airlines have their own booking engines available on the internet. This means that a uniform database with the passenger data of all airlines, such as the one that the International Air Transport Association (IATA) possessed in the past, no longer exists. MKmetric found a unique way of computing passenger potentials by circumventing the data gaps in traditional methods of route investigation. The company took into account the available modes of transport between the origin and the destination region in general and especially examined the existing air services available at each airport. This includes also an exploration of neighbouring airports with which possible new routes would have to compete. Finally, the analysis includes regional socio-economic variables from each airport and its neighbouring regions.

For the analysis, the involved BALTIC BIRD airports (Bodø (BOO), Bydgoszcz (BZG), Karlstad (KSD), Norrköping (NRK), Liepaja (LPX)

and Savonlinna (SVL)) were divided into three groups according to airport size. Each airport and region collected the requested data such as details regarding the airport, available services, technical data and passenger figures.

Depending on the specific needs of the region's airports, the analysis consisted of a 360° scan concerning new routes. For other airports, the focus was on specific routes or connection to a European hub, for which several options have been investigated. In some cases, the analysis included existing or recently closed routes. In these cases, new service schemes were developed, which might enable such routes to be run on an economically viable basis with increased passenger demand in the future. Finally, investigations covered the field of public service obligation (PSO) routes, to improve specific accessibility in peripheral regions.

➔ New flight connections

The analysis was completed in September 2013. Each BALTIC BIRD region received its "Scan of New Air Routes" (SONAR) report. The reports contain results (tables and graphs) enriched with route-specific interpretations and recommendations and provide a comprehensive source for decision making or further use, for example in airline marketing and strategic planning. How the airlines value the potential analysis and the regional presentations will be seen in the course of time.

A new route from Karlstad (Sweden) to Frankfurt (Germany) has already been inaugurated. Since 26 May 2014, Karlstad Airport has been connected (six flights a week) with Frankfurt, the number one hub on the European mainland in terms of destinations served. Frankfurt Airport also provides transfer options to more than hundred destinations all over Europe and the world.

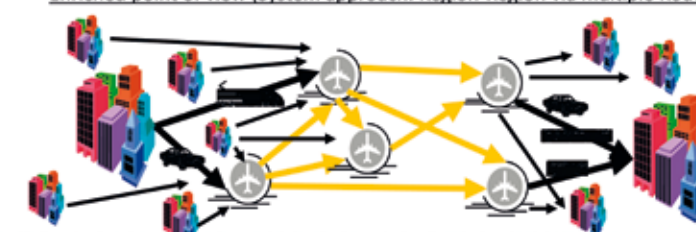
Development has already reached an advanced stage for at least two other routes after initial contacts between region/airport and airline. Official slot requests have been made by an airline at Frankfurt Airport for routes from Bydgoszcz (Poland) and from Norrköping (Sweden). These slot requests relate to the forthcoming winter schedule (starting at the end of October 2014), for which these routes are now on the waiting list.

Method

Conventional / Traditional Modelling (Airport-Airport with fixed Isochrones)

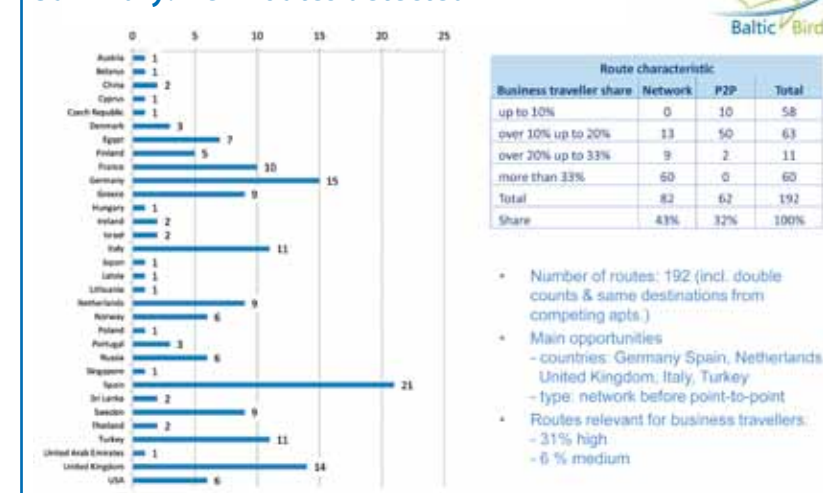


Enriched point of view (System approach: Region-Region via multiple Routes)



While traditional methods only focus on airports, the system approach considers the regions in which people live, work or take vacations. The system approach also takes into account region-to-region traffic via multiple routes, including access and egress surface modes as well as overlapping catchments.

Summary: New routes detected



192 new routes have been identified whose operation could be economically viable by the BALTIC BIRD airports.

PASSENGER POTENTIAL ANALYSIS

➔ PROJECT EXAMPLE: TAMPERE AIRPORT



In 2013, Tampere–Pirkkala Airport (TMP) had 466,671 international passengers. Tampere is Finland's third largest city.

The Baltic Institute of Finland received a comprehensive analysis of 26 new routes for the airport of Tampere including 9 airline network routes, 11 low-cost and 6 charter routes. As Tampere Airport has lost an important route to the Copenhagen hub since the start of the project in 2012, an additional analysis was carried out for this route with a special focus on optimising schedules to maximize transfer options at Copenhagen and the resulting demand. Also an analysis for a route to Saint Petersburg has been executed.

routes event in Europe and an essential gathering place for all aviation-based companies that wish to conduct business to, from and within the European region. **By using the excellent material prepared during the project, it was possible to convince regional decision makers to participate at this particular event.** The Tampere Region was the first individual Finnish region to rent a stand. In addition, an article about Tampere was published in the online weekly newsletter "The HUB". The article had more than 700 readers.

Approaching airlines with results

After examining the analysis, the Baltic Institute of Finland targeted five routes and four airlines which they will approach in the future. The analysis of these focus routes was presented to the airlines and airport representatives at "Routes Europe" in Marseilles in April 2014. "Routes Europe" is the largest regional

The Tampere Region has also confirmed its participation at the next „Routes Europe“ event in April 2015 in Aberdeen, Scotland.

Tampere (TMP): New routes detected

Country of destination	Passenger potential p.a. [000]	Number of routes by type		
		Network	LCC	Charter
Egypt	12	-	-	1
France	81	1	1	-
Germany	308	4	1	-
Greece	69	-	1	2
Italy	52	-	1	1
Lithuania	21	-	1	-
Netherlands	70	1	-	-
Norway	59	1	1	-
Russia	126	1	-	-
Spain	105	-	1	2
Sweden	46	-	2	-
Turkey	62	1	-	-
United Kingdom	34	-	2	-
Total Pax Potential	1,045	9	11	6
Share by Passengers	100%	61%	31%	8%

Business traveller share	Route characteristic		
	Network	P2P	Total
up to 10%	0	0	6
over 10% up to 20%	3	11	14
over 20% up to 33%	0	0	0
more than 33%	6	0	6
Total	9	11	26
Share	35%	42%	100%



“The analysis and guidelines provided by the BALTIC BIRD project have been of the utmost value for the Tampere Region in developing networks and starting the search for better air connections.”

The City of Tampere, Tampere Chamber of Commerce and The Council of Tampere Region

The Baltic Institute of Finland received a comprehensive analysis of 26 new routes for the Tampere Airport: 11 proposed routes to be operated by network carriers, 9 proposed routes to be operated by low-cost carriers, and 6 charter routes.



➔ PROJECT EXAMPLE: JYVÄSKYLÄ AIRPORT

Within the BALTIC BIRD project, a SONAR (Scan of New Air Routes) report for the airport of Jyväskylä (JYV) in Finland was produced. It analysed the passenger potential of new air links from Jyväskylä, which could be run in an economically viable way.

The report identified 12 possible new routes for Jyväskylä. The majority of the proposed routes would be operated by network airlines; the other routes would preferably be run by low-cost or charter carriers. Two proposed routes are presented here as an example.

Route to Amsterdam (the Netherlands)

For a proposed route to Amsterdam (AMS), one of the biggest hubs on the European mainland, a total demand of 55,000 passengers (33% business travel) was identified. 73% of these passengers would transfer at Amsterdam for other destinations, not only in Europe, but also in North America (e.g. Boston).

Route to Rome (Italy)

For a route to Rome's Ciampino airport (CIA), a total demand of nearly 14,000 passengers was identified. This figure included 24% travelling for business purposes and nearly 90% local demand. Running such a point-to-

point route, with this demand level at least twice per week, is usually carried out by a low-cost operating aircraft of adequate size.

Jyväskylä (JYV): New routes detected

Country of destination	Passenger potential p.a. [000]	Number of routes by type		
		Network	LCC	Charter
Denmark	38	1	-	-
France	42	1	-	-
Germany	58	1	-	-
Greece	6	-	-	1
Italy	23	-	1	1
Netherlands	55	1	-	-
Norway	52	1	1	-
Spain	6	-	-	1
Sweden	41	1	-	-
Turkey	25	-	1	-
Total Pax Potential	346	6	3	3
Share by Passengers	100%	79%	15%	6%

Business traveller share	Route characteristic		
	Network	P2P	Total
up to 10%	0	0	3
over 10% up to 20%	0	2	2
over 20% up to 33%	0	1	1
more than 33%	6	0	6
Total	6	3	12
Share	50%	25%	100%

The passenger potential analysis identified 12 possible new routes for Jyväskylä.

The airport in Jyväskylä (Finland) has 156 charter flights per year.



INTERMODAL CONNECTIVITY

A precise and transparent analysis of strengths, weaknesses, opportunities and threats regarding current and future linkage of public transport services with airports and air transport to enable regions to improve sustainable intermodal connectivity



Bus at Ivalo Airport (Finland): Differently sized vehicles are used according to the expected number of passengers. In winter, a larger bus is used.

In addition to the identification of air travel needs at airports in the Baltic Sea Region in order to strengthen the regions' accessibility, the BALTIC BIRD project also focused on improving the airports' interconnectivity by identifying potential demand for public transport services (PTS) and other linkage services.

Lack of interconnectivity between air and public transport can create accessibility problems for regions or cities. As a result, interaction between airports and PTS should be strengthened and facilitated to provide **better connections** for peripheral airport regions. As interconnectivity begins with the departure of the passengers, information about the local public transport operators could be provided within the destination region.

By lowering individual traffic to and from airports, the **reduction of emission of greenhouse gases** per departing and arriving passengers (PAX) as well as the **ecological sus-**

tainability of the developed and implemented services should be achieved. An additional objective is to jointly elaborate pilot-investment, giving all partners the opportunity to transnationally benefit from the findings.

→ SWOT analysis

First, an evaluation of gaps between the status quo and the potentials of PTS connecting the Baltic Sea Region's airports with the surrounding areas in partner regions was necessary (SWOT analysis). This was followed by the transnational development of strategic options with regard to innovative public transport services for the partner airports representing both peripheral and more central areas in the Baltic Sea Region.

The development of the SWOT analysis and of strategic options for improved airport interconnectivity was assigned to the German consulting company UNICONULT Universal Transport Consulting. The experts analysed the partner airports and regions

of Karup (Denmark), and the three Finnish regions of Seinäjoki, Ivalo and Joensuu carrying out on-site visits and interviews, as well as workshops with relevant regional stakeholders and decision makers.

Together with the other tools created during the BALTIC BIRD project, the analyses should help regional airports generate more traffic, especially in those cases where regular market analyses and data are not sufficiently encouraging for an airline to start a new flight connection.

→ Strategic options for improvement

Each of the involved regions received an in-depth analysis of their strengths, weaknesses, opportunities and threats concerning the airports' interconnectivity with the surrounding regions by public transport services.

Based on this analysis and best practice results, strategies on innovative individual PTS were developed. This will lead to feasibility and pre-investment studies – for example, the implementation of better PAX information systems, „interactive“ bus stops and new call-a-bus concepts at smaller airports („individualisation of public transport“) in the peripheral Baltic Sea Region.



Karup Airport (Denmark) has public transport connection to Holstebro and Viborg. Three busses per day are offered between Karup Airport and Holstebro in each direction. To and from Viborg a teletaxi is operated on demand.

		Reduction emissions from cars and taxis	Additional emissions from busses	Total reduction of emissions
Greenhouse gases	kg	261.842	103.565	-158.277
Carbon monoxide	kg	1.708	124	-1.584
Volatile hydrocarbons	kg	316	41	-275
Nitrous gases	kg	557	704	147
Fine particles	kg	15	8	-7

If all the suggested options for improvement are implemented, these total effects will be achieved.

Developed and evaluated options for improvement at each airport

Joensuu (Finland):

- Re-routing of the existing airport bus service in order to reduce the travel time between Joensuu city and the airport
 - Provision of the bus service during weekends
 - Improvement of information for the public transport service
- Please see project example on the next page.*

Ivalo (Finland):

- Extension of the existing Murmansk – Ivalo – Ivalo Airport bus service
- Development of a new Inari – Ivalo – Ivalo Airport public transport service

Karup (Denmark):

- Rerouting of existing bus services via Karup Airport in order to create connections to Herning and Viborg
- Dedicated bus services to Karup village, to Viborg and the improvement of teletaxi services

Seinäjoki (Finland):

- New shuttle bus service between Seinäjoki Airport and Seinäjoki main train/main bus station
- Pre-booked shuttle services between Seinäjoki Airport and different tourist attractions

INTERMODAL CONNECTIVITY

➔ PROJECT EXAMPLE: JOENSUU AIRPORT



Joensuu Airport (Finland): A shuttle taxi is available to and from Koli (Finland). It has to be booked in advance by phone. Photos: Jarno Artika.

As it takes between four and five hours to travel by rail from Joensuu to Helsinki, air transport links are vital for export businesses in the Finnish region of North Karelia. Passenger numbers have been rising steadily at Joensuu Airport over the past few years despite the ongoing economic crisis.

Need for public transport support

There are five flights from Joensuu to Helsinki every weekday that have significantly improved the connection – in particular the overnight flight. The intermodal connectivity of the airport is important for the continued development of passenger numbers. Although airports need public transport support, the funding for public transport is declining. Previously, a special airport bus with airline logos was used for the route.

Currently, a smaller vehicle, which is also used for other transport services, operates the route. Public airport transport connections are only available weekdays and only for route flights to Helsinki. Charter flights passengers mainly arrive in their own cars or in transport organised by travel agencies. Remote tourism destinations such as Koli have organised their own solutions (the Koli Shuttle Taxi). Business travellers mainly use private cars or taxis. Airport bus connections are vital for international staff and students at the universities and research centres of North Karelia.

Pre-investment study

Because information was identified as a major success factor for enhancing the interconnectivity of the regional airport in Joensuu with the city of Joensuu and the surrounding areas, a pre-investment study, based on the identified strategic options, was initiated by the BALTIC BIRD project partner, the Regional Council of North Karelia.

During a pre-investment workshop, the relevant stakeholders discussed how to improve information about public transport to and from Joensuu Airport. They also debated requirements for an information screen and what kind of information should be displayed on such a screen.

Investment activities

As a result of the pre-investment study, a new public transport connection information screen was installed in the arrivals hall at Joensuu Airport in May 2014. Information is displayed in both Finnish and English and includes data about public transport connections to/from the airport. Some promotional information about the region of North Karelia is also included.



Airport bus connections are vital for international staff and students.

Summary of SWOT analysis for the Joensuu Airport

Strengths

- Up to five flights per day in each direction between Joensuu and Helsinki.
- Regular outgoing charter flights to popular holiday destinations.
- A regular bus connection is available between the Joensuu main bus and train station, other stops and Joensuu Airport. The bus is available for all scheduled flights from Monday to Friday.

Weaknesses

- No bus connections are available on Saturdays and Sundays and during public holidays. There is no bus connection available for passengers on outgoing tourist flights.

Opportunities

- Better marketing, better availability of information and daily operation could increase awareness and use of the public bus service to and from Joensuu Airport.

Threats

- Public co-funding is needed as the limited number of public bus users cannot cover all the costs of the bus services.

“ Thanks to the work of the BALTIC BIRD project several new development measures have been implemented to improve intermodal connectivity at Joensuu Airport.

Raija Niskanen, Director of Finavia Eastern Finland

The overall acquisition process for the pilot investment started in December 2013 with the pre-investment workshop lead by Dr Zeike (UNICONSLT Universal Transport Consulting) and continued in January 2014 with regional workshops that involved participants from Finavia, RTG Ground Handling Ltd, the City of Joensuu (in charge of public transport connections), and the BALTIC BIRD project partner, the Regional Council of North Karelia.

As a by-product of this cooperation a new leaflet about public transport connections to and from Joensuu Airport was also created.

Since July 2014 – as a result of the BALTIC BIRD project – the bus connection between Joensuu main bus and train station, other stops and Joensuu Airport is now available every day, even in weekends.

AIRPORT MARKETING STRATEGIES

Development and implementation of marketing strategies to attract airlines to set up new flight routes to and from airports in the Baltic Sea Region



Seinäjoki Airport is unique in Finland due to the fact that it is a privately operated airport. It can be very creative in preparing business cases for airlines.

Bydgoszcz Airport (Poland) has many different airport marketing activities, for example information leaflets, advertising in local and national newspapers, discount cards for local amenities or merchandise branding.

Competitive forces and challenges currently facing the European aviation market include the increasing popularity of low-cost carriers and airlines, a rise in kerosene prices, stricter regulations with regard to safety, noise and night flights, etc. As a result, it is not easy today to persuade airlines to increase or initiate new routes to an airport. This is particular the case with small regional airports which typify BALTIC BIRD airports as well other airports in the Baltic Sea Region.

Workshops with politicians, civil servants, export companies and the tourism industry became an important part of the

BALTIC BIRD project in order to assist all parties to create a common strategy.

→ Pooling & analysing knowledge

Through workshops, as well as through transnational airport marketing seminars and a pilot project, the involved project partners shared their knowledge and experiences, considered findings from other Baltic Sea Region projects, and analysed existing strategies used by partner airports. They jointly developed a conceptual design of an **Airport Marketing Toolbox** which included the experiences and requirements of the involved project partners and airlines.



→ Airport Marketing Toolbox

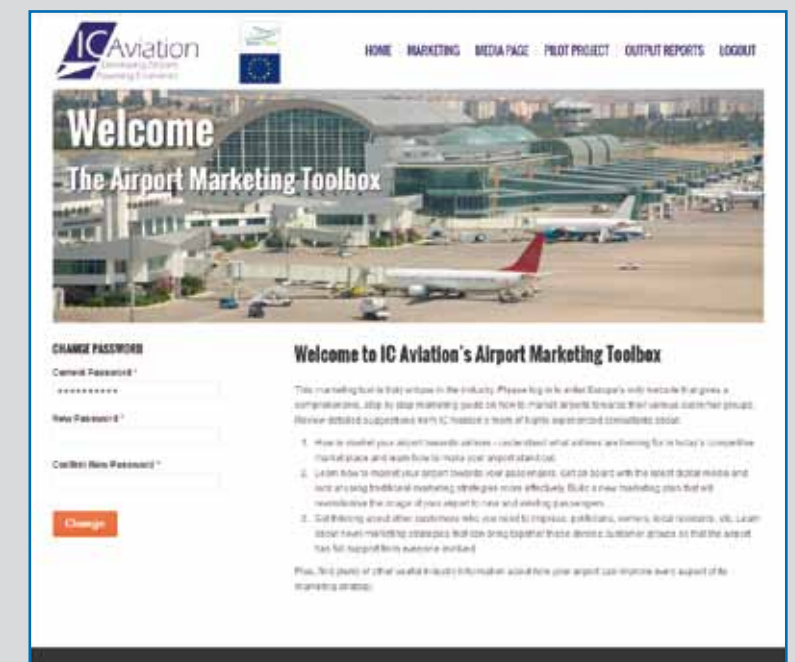
The toolbox integrates information on the airport marketing strategies of seven BALTIC BIRD partners (Bydgoszcz, Liepaja, Karlstad, Norrköping, Savonlinna, Seinäjoki and Tampere) from four different countries. As a result, it was not feasible to create a “one-size-fits-all” solution for route development that could be applied in the same way for all airports.

The design of the toolbox had to be broad enough to cover as many eventualities as possible but also specific enough so that it could actually be used by each involved project partner as well as by interested airports in other peripheral Baltic Sea regions and in the rest of Europe.

Accordingly, the external service provider, IC Aviation, identified five basic components that the toolbox needed to succeed. It should be:

- A **living document** (able to change as changes occur in the industry);
- **Comprehensive** (containing a large volume of information covering a wide range of topics);
- **Accessible** (easily accessible by those who use it; otherwise it would simply not be used);
- **User-friendly** (easy to navigate and to find relevant information); and
- **Understandable** (presented in an easily understood format).

A web-based portal was developed, acting as an online forum whereby all information is displayed online and can be updated as and when required.



Menu items of the „Airport Marketing Toolbox“

- **Home:** Login area
- **Marketing:** The key aspect of this toolbox is the marketing strategies that IC Aviation offers for each of the key customer groups. Three separate sections deal with airlines, passengers and other customers:
 - **Airline Marketing** – Build a Business Case for Airlines
 - **Other Customer Groups** – Airport Workshop for Key Customers
 - **Passenger Marketing** – Google AdWords Campaign
- **Media Place:** Users can find relevant industry news sources to keep up-to-date with the industry and to research potential new airlines to target
- **Pilot Project:** Page devoted to the pilot project so that the involved partners can keep up-to-date about developments with that project
- **Output Reports:** Supplying links to PDF copies of all output reports related to airport marketing support strategies
- **Logout**

AIRPORT MARKETING STRATEGIES

➔ PILOT PROJECT: TWO AIRPORTS AS ONE DESTINATION - KARLSTAD & NORRKÖPING



Karlstad and Norrköping Airport (Sweden) proved the thesis that two airports from the same country can cooperate as "one destination" for incoming European tourists.

As a basis for the development of an airport marketing toolbox, the project partners began with a pilot project. Karlstad and Norrköping Airport together with their regions, the Berlin-Brandenburg Airport and region, and the corresponding regional marketing partners approached airlines to develop a new flight route. Close cooperation between airports, travel agencies, tour operators, companies and local authorities was maintained at both ends.

Testing a new approach

The pilot project proved the thesis that two airports from the same country can co-operate as "one destination" for incoming tourists from Europe. The idea was to build a business case that involved everyone in favour of a new route at an airport. This case was conceptualised so that it can be used by other airports involved in the BALTIC BIRD project.

Karlstad and Norrköping Airport were brave enough to use a completely new approach

to route development. This was an INTER-REG approach where the two airports (two regions) at each end of a route approached the airline with a case where most seats were already sold to travel agencies, tour operators, companies and/or local authorities.

Karlstadt Airport example

The objectives for Karlstad Municipality and Karlstad Airport for participating in BALTIC BIRD were to get better connections. Being in a remote part of Europe, communications are vital not only for enterprises, but also for tourism.

The results of BALTIC BIRD's "Passenger Potential Analysis" clearly showed that the demand for new routes from Karlstad was high. The analysis also revealed that the airport had a huge "leakage" of passengers as a result of poor connectivity.

Using the marketing tools provided in the project, Karlstad Airport started to visit a



large number of airlines. The airport participated in the 2014 "Routes Europe" event in order to carry out "speed-dating" with airlines and to visit airlines at their offices. During the entire BALTIC BIRD project, at least 10 of Europe's major airlines have been approached. Interest in setting up a new route was high and the business case that Karlstad Airport presented was considered plausible.

New Karlstad–Frankfurt route

On 09 April 2014, the British airline BMI Regional hosted a press conference in Karlstad to announce the route to Frankfurt. On 12 May 2014, the German airline Deutsche Lufthansa AG declared a codeshare agreement on the route giving Karlstad passengers an opportunity to connect to hundreds of destinations worldwide via Frankfurt Airport and to improve accessibility into the region.

The route was inaugurated on 26 May 2014 with a single daily rotation. In September 2014, BMI Regional and Deutsche Lufthansa AG will scale up to two rotations per day. BMI regional will fly an Embraer 145 jet aircraft with 49 seats on the route. The route is forecast to generate a 50% increase in passengers for the airport.

There is no doubt that BALTIC BIRD, in general, and the passenger potential analysis and airport marketing support strategies, in particular, have been an important part of this achievement. Airlines were impressed by Karlstad Airport's business case.

“The Airport Marketing Toolbox is not a “silver bullet” when approaching airlines. One must understand that it takes a lot of creativity and hard work to actually succeed.

Peter Landmark, CEO of Karlstad Airport AB



In 2012, Norrköping Airport had 110,765 international passengers.



As a result of the project, a new route Karlstad–Frankfurt was inaugurated in May 2014.

TOURISM DESTINATION DEVELOPMENT CONCEPTS

Development of tourism destination marketing strategies to benefit from regional tourism potential and to increase the perception of remote Baltic Sea regions as a tourism destination



Inari-Saariselkä region in Lapland, Finland



Bodø Airport in Nordland (Norway) is an easy 15 minutes' walk to the city centre and therefore one of the few world destinations where "Fly-Walk" is a viable travel combination. Photo: Ernst Furuhatt, Nordland Museum.

To utilise regional tourism potential and increase the perception of remote Baltic Sea regions as a destination, the aim of the BALTIC BIRD project was to give these peripheral regions a precise understanding of how to develop and implement tourism destination marketing concepts.

➔ Best practice visits, case studies and discussions

The BALTIC BIRD partners were supported by the external service provider Northpoint Aviation Services Limited, a UK-based aviation consultancy primarily concerned with remote and peripheral aviation issues and suitable responses, in collaboration with Team Tourism Consulting, a long-established and leading tourism consultancy in the UK.

In order to develop tourism destination strategies (e.g. communication and product marketing), the two service providers explored the relationship between national and

local tourism development and promotional interests, relevant airports, air operators, tour operators, and relevant national and EU policies significant to the Baltic Sea Region.

The consultations and original investigations sought best practice examples and suggested improvements for consideration by the partners and the wider BALTIC BIRD participants. The partners undertook an audit of current arrangements and challenges of the project partners Avinor (Norway), Nordland (Norway), South Ostrobothnia (Finland), and Rostock City (Germany). They also reviewed experiences in other analogous areas.

The project work included:

- **two site visits** (one to Inverness and Orkney in Scotland; the other to the Inari-Saariselkä region of North Finland);
- **two non-EU case studies** (one of British Columbia in West Canada; the other of Milford Sound in New Zealand's South Island with

brief reference to tourism in the Philippines and Marshall Islands);

- **two in-depth reviews** of the work of tourism authorities (Scotland and Ireland);
- **discussions with relevant air operators** about route development;
- **discussions with tour operators** and adventure holiday businesses; and
- **an examination of tourism in Cornwall**, in South West England.

➔ Guidelines for the promotion of destinations

In the end, all involved BALTIC BIRD partners produced a **SWOT summary** for the Baltic Sea Region. A **tourism destination strategy methodology** was offered and explained in the final report. The destination marketing concept report serves as a general guideline for regional implementation with specific adjustments for the Baltic Sea Region and also integrates first findings from other projects (e.g. from the INTERREG IV A project "SBGA").

The strategy development highlighted the recurrent theme of a **collaborative approach to strategy implementation** and also made participants aware of the need to make available **appropriate funding** to fuel desirable activity.

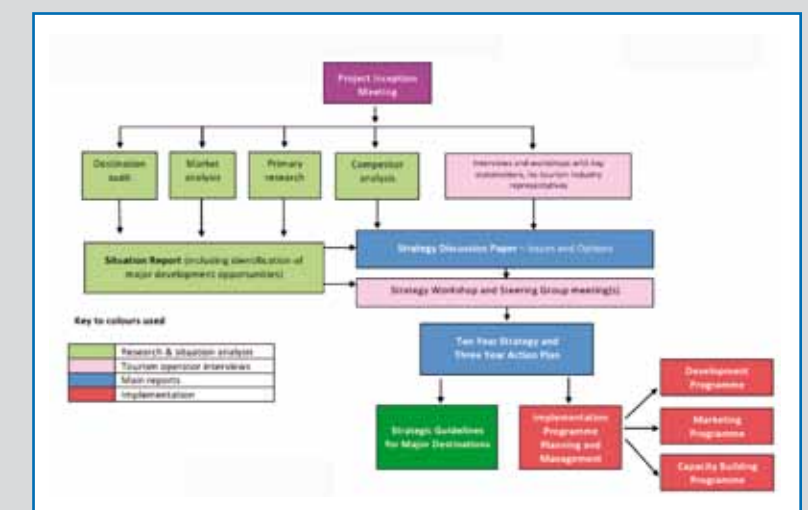
The report underlines the **importance of selecting key messages** that are both Unique Selling Propositions (USP) and Unique Emotional Propositions (UEP). It also illustrates how governments can develop **tourist-friendly policies** with regard to aviation.

A common requirement is the need to **influence key stakeholders** at both local and national levels with regard to route development and tourism. This advocacy work is more effective if it is supported by insightful analysis and persuasive facts that can change perceptions and influence policy.



Rostock (Germany) positions itself as a regipolis. Different actors of the city and of the surrounding region are working together on the domestically and internationally promotion of the region.

Ten steps to develop a regional tourism destination strategy



Significant development tools and practical approaches for the client partners

- Sightseer flights
- Geotourism
- The Potential of Twinning Arrangements
- University Alumni travel programmes
- Relevant Trade Shows
- GoEUGo
- Finnish Wellbeing
- Marketing the Northern Norway Charter Fund
- Packaging products and experiences
- Slow Adventure
- Extending the season
- Accommodation provision as a limiting factor
- Private aviation
- Supporting effective pitches to air and tour operators

TOURISM DESTINATION DEVELOPMENT CONCEPTS

➔ BEST PRACTICE VISIT: SCOTLAND (UNITED KINGDOM)

During a best practice visit in September 2013, the BALTIC BIRD partners explored the tourism promotion organisation in Scotland. They chose the Highlands and Islands of Scotland because of its modern tourism as well as landscape challenges similar to those of the peripheral Baltic Sea Region. Scotland has many world famous attractions, brands and activities that have evolved over the years including golf, hunting, shooting, fishing, the Loch Ness Monster, history, genealogy, wilderness, wildlife, maritime activities, heritage, whisky and whisky visitor centres etc. All this has parallels for the Baltic and Norwegian partners. Furthermore, working with the local airport operator Highlands and Islands Airports (HIAL) was of interest to BALTIC BIRD project partner Avinor, and the airports of the client regions (Bodø, Seinäjoki and Rostock).

The Loch Ness brand

The best practice tour participants undertook a short scenic tour to Loch Ness. Graeme Ambrose of the Loch Ness Marketing Group interested the delegates with his presentation on how a proactive private sector tourism promotion organisation had got involved in optimising and monetising the world famous and iconic Loch Ness brand. The delegates were surprised to discover that, not so long ago, the brand was in poor shape with falling

visitor numbers, low standards in the local accommodation and attractions, little local spending by visitors, and lack of coordination amongst the various tourism related actors and stakeholders. As about 120 of the 170 relevant businesses in the area are members, the best practice tour participants were surprised that even such strong brands can get themselves into trouble.

Marketing “nothing”: Slow adventure

Slow movements are gaining in popularity. Slow adventure is not just an escape; it also involves reconnection with wild places. Recapturing the age-old relationship between man and nature is important. Being comfortable in the outdoors, cooperation rather than competing with others, simply being, these can be seen as new trends in tourism. It was noted that Northern and Eastern European and Nordic countries do not often have consistently warm weather, but they do have space, mountains, wild places and sea. There is a year-round potential in these countries for slow adventure and for marketing “nothing”. Slow adventure tourism promises longer visitor stays in the area/country, a longer season, more sustainable forms of tourism and huge potential for areas with low numbers of tourism.

“It is essential to have an updated perspective on what our neighbours are up to in the development of tourism destinations. The only way to get this knowledge is to actually visit the destinations and meet people that are willing to share experiences and ideas. Scotland being one of our closest neighbours is an important destination with world class brands and attractions.

Iver Holter Andersen, Manager Tourism Development, Avinor A/S

Best practice visit to Scotland: Standing Stones of Stenness and Earl's Bu in Orkney.



More information and tourism statistics in Scotland:

www.VisitScotland.org



➔ BEST PRACTICE VISIT: LAPLAND (NORTHERN FINLAND)

In December 2013, a best practice visit to Northern Finland was arranged by Northpoint Aviation with comprehensive support provided by the BALTIC BIRD project partners Eila Rimpiläinen (International Coordinator, Inari Municipality) and Janne Seurujärvi (Director for Business and Economic Development, Business & Development Nordica). The goal of the visit was to research best practices in marketing the Santa Claus concept, Christmas charters and other developments in the Inari-Saariselkä region of North Finland.

Key lessons – airport and regional branding

Both Finland and Norway have branded their northern airports. Representatives of Finavia and Avinor presented the brands of Lapland Airports in Finland and Northern Lights Airports in Norway. The idea behind branding is that Lapland and Northern Lights are world famous, whereas individual airports are not. Both Finavia and Avinor market their airports and destinations with national and regional tourism stakeholders.

Other key lessons

Collaboration and team playing are important at local, regional, national and international levels. This is the basis for long-term relationships with tour operators and media

that are based on mutual trust. Developing a destination is a long-term process; each destination needs to examine its infrastructure, tourist attractions, activities and branding. As a destination develops, its offer must broaden and deepen. This could mean extending the season to attract a wider range of target markets. Letting overseas visitors know about the special features of the destination such as Arctic Light Effects is also important. Public investments support the marketing efforts of the private sector. Roads, airports and key facilities are essential for developing tourism. The importance of inspired and committed entrepreneurs is crucial because owners of private companies are often the driving force for tourism.

A major attraction in Northern Finland is the Northern Lights. Photo: Timo Halonen.



APPLICATION GUIDELINES AND IMPLEMENTATION OF PSO & RDF

Supporting airports with strategies to introduce public funding options and providing airlines and regions with strategies for the application of public service obligations to receive co-financing



A case study on regional economic justification of PSO & RDF for Liepaja Airport (Latvia) has been carried out.

Another objective of the BALTIC BIRD is to support airports with strategies showing them how to introduce public funding options such as the Route Development Fund (RDF). In addition, the project aims to provide airlines and regions with strategies on the application of public service obligations (PSO) to receive co-financing to help underwrite the commercial risk of setting up new flight connections. The application of PSO and RDF should lead to the opening of new regional routes to improve accessibility for the remote Baltic Sea regions.

➔ Analysis of PSO and RDF regulations

Analysis of the regulations regarding RDF in the Baltic Sea Region began with joint workshops on applying PSO and RDF at regions and airports. National and EU regulations as well as the conditions and requirements for PSO set out in Article 16 of the Air Services Regulation 1008/2008 were examined with the help of external service

provider Northpoint Aviation Services Limited. Relevant PSO regulations were analysed in some detail to identify key aspects of the regulations. Attention was given to benchmarking of existing PSOs from the point of view of competing air operators.

The development of the PSO/RDF application guidelines covered the diversity of application of PSO programmes across the continent. As interpretation and knowledge of PSO and RDF varies greatly from one state to another, it is a common concern in interregional and transnational territorial development. Accordingly, transnational concessions were analysed.

➔ PSO/RDF application guidelines

Based on these analyses, possible procedures for transnational PSO and RDF applications were identified. Corresponding application guidelines were produced for BALTIC BIRD partner airports, regions, airlines and other airports and airlines in Europe.

A legal advisor for the aviation industry provided comments on a range of standard contracts presented to operators over a period of 12 years. Insights and detailed practical suggestions were made on how to improve contract terms and specifications and how to optimally align sponsoring authority and air operator interests.

Based on the list of potential PSO/RDF routes identified in the passenger potential analysis, the guidelines supply more practical detail and guidance on the use of PSO/RDF approaches to develop those routes. Market potential and aircraft size and frequency data were designed to help users narrow their requirements. Potential airlines were identified for the operation of the suggested routes with reference to their operational model, fleet and strategy. A short list of possible operators was included for each suggested route.

The PSO/RDF application guidelines include a summary of best practices, recommendations for PSO/RDF tendering procedures and recommendations for contractual agreements (contract content and specific regulations). They should help support regions and airports considering a PSO/RDF route opening.

➔ Investigation of regional economic justification

In addition, the German consulting company UNICONSLT Universal Transport Consulting was contracted to provide studies of regional economic effects for the three BALTIC BIRD partner airports Bodø (BOO), Bydgoszcz (BZG), and Savonlinna (SVL).

Air transport contributes to national and regional economies in two ways: First, air transport is an economic factor because the provision of services related to air transport generates jobs, value-added income and

tax. Second, air transport is a location factor and has a “catalytic” impact on other sectors of the economy, especially on the tourism industry and other sectors that are highly reliant on good air accessibility (e.g. high-tech industries, banking and IT). Air transport also yields benefits for the long-term welfare of people living in the region.

The regional economic effects of new flight connections, expressed in monetary terms, were compared with the amount required to impose PSO and RDF on those additional flight connections (input-output analyses).

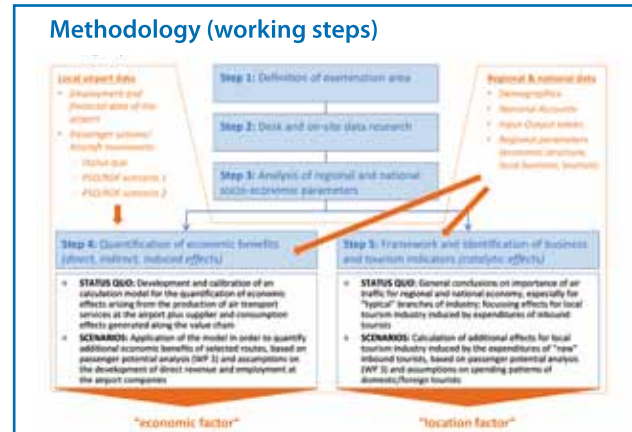
Based on a multistage model it was also possible to quantify the additional economic effects arising from new routes and assumed passenger potential. Three different stages of economic impacts have been analysed: direct effects from airport-located companies, indirect effects and induced effects from “upstream” service providers.

➔ Study on regional economic justification of PSO/RDF

All general results regarding the approach of regional economic justification of PSO/RDF are detailed in a corresponding study together with specific results of case studies. For example, a case study about regional economic justification of PSO and RDF was developed as a pilot project at Liepaja Airport.

The studies show the measurable impact of air transport on the economy of each surveyed airport region.

The methodology to investigate regional economic justification covered both quantity and quality aspects of economic impacts and benefits.



APPLICATION GUIDELINES AND IMPLEMENTATION OF PSO & RDF

➔ PROJECT STUDY: SAVONLINNA AIRPORT



In 2012, 13 000 passengers passed through at Savonlinna Airport (SVL) in Finland.

The BALTIC BIRD project partners identified differing needs for route development, where different tools can be applied to use public funding to gain momentum for the route. Partner regions and their airports were given solid basic information concerning the applicability of these instruments including the Route Development Fund (RDF) for the initiation of commercial routes and public service obligations (PSO) for the maintenance and development of air connectivity with the help of public subsidy.

Subsidised Finnish triangle route

Regarding PSO subsidy, the project tasks were divided into: **A) facilitating the PSO application process for partners** and **B) providing the necessary documentation about the regional economic importance of air connections.** The passenger potential analysis helped the partners to identify routes to be developed.

The Finnish triangle route "Helsinki–Varkaus–Savonlinna" (HEL–VRK–SVL) has been the only route subsidized through PSO for many years

The airport region of Savonlinna includes the five municipalities of the sub-regional unit Savonlinna.



in Finland. The BALTIC BIRD project enabled the preparation of a new tender and gave essential information concerning the significance of air traffic for the regional economy.

Economic importance as a basis of PSO

It is essential for regional decision makers and the Ministry of Transport and Communications to understand the impact of air traffic. In addition, demonstrating the economic significance of air traffic is a legal condition imposed by the EU for PSO arrangements.

The analysis helped the preparation for the renewal of the PSO contract. The review was completed with state-of-the-art multivariable modelling for the impact. In the case of the Helsinki–Savonlinna route, a zero scenario was chosen as a basis for comparison. The model indicated, as a direct catalytic effect of air traffic closure, a loss of 35 million euros in gross value-added income per annum, and more or less immediate job losses in the range of 420 in export-oriented industries.

Influencing national aviation strategy

On the basis of economic analysis, it seemed that national authorities and politicians in Savonlinna did not fully appreciate the importance of air traffic for regional economies – especially for highly-specialised producers competing in the global market. Decisions were often based on unique local know-how and/or resources. Therefore the argument was developed further in the form of an aviation strategy paper for local and national decision makers. The paper lobbied for the maintenance of regional airport networks and continued air traffic to the regional airports.



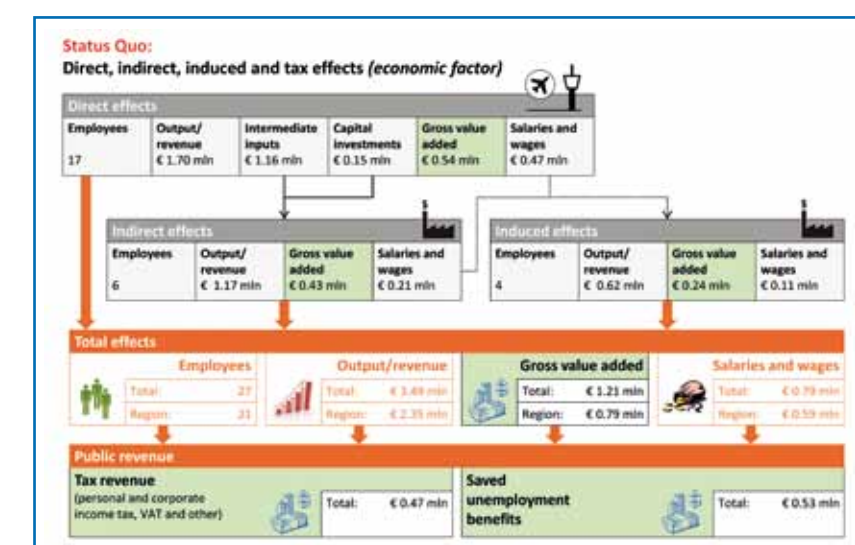
“Surveys indicated time and again that access by air has been essential for key businesses in Savonlinna. Being able to demonstrate the significance of air traffic with numbers helped us in the decision-making process.”

Hannu Kurki, Director of City Development, Savonlinna

New insights for PSO tenders and route potential

Expertise from the BALTIC BIRD project via the application and implementation of the guidelines was used in the preparation of the new HEL–VRK–SVL PSO tender in the spring of 2013.

The analysis of alternative routes, as well as PSO preparation guidelines, was found to be of vital importance for the preparation process. Varkaus having opted out from PSO in the contracting phase, a new tender was carried out in 2014. Savonlinna managed to maintain air traffic. The BALTIC BIRD project helped Savonlinna maintain the resolve to struggle for its air connection.



Production of services related to air transport at Savonlinna Airport included value-added income of 1.2 million euros and public revenue of 1.0 million euros.



CONCLUSION & VISION

The BALTIC BIRD project was formed based on the belief that the airside accessibility of peripheral Baltic Sea regions could only be improved by **integrating all the relevant parties involved in the aviation industry and in the regions concerned**. Transnational cooperation between 21 partners and 13 associated organisations included regional authorities, airports, economic development agencies and transport institutes from eight countries, as well as five international airlines.

Hoping to enhance the regions' competitiveness, BALTIC BIRD aimed to **develop efficient and viable flight connections for peripheral Baltic Sea regions**. New routes mean faster accessibility to and from Europe's economic centres. The project partners have understood that accessibility improvements ultimately lead to an increase in economic and social integration.

The BALTIC BIRD project can be seen as both a **test case and an implementation** with the intention to set off an **on-going future**

process. The compilation of tools, guidelines, calculations, analyses and investments can be seen as a solid **basis and usable toolbox for starting successful air route development**:

- Route-specific passenger (PAX) potential analyses to approach airlines leading to new flight connections from partner airports to national or international airports;
- Innovative public transport system concepts aiming to improve airport interconnectivity;
- Airport marketing toolbox (to attract airlines, passengers and further customer groups);
- Transnational tourism destination development concepts to utilise partners' local attractions in order to increase the number of incoming tourists;
- Application guidelines and implementation of Public Service Obligations (PSO) or the Route Development Fund (RDF) at selected participating airports; and
- Investigation of regional economic effects of PSO and RDF.

BALTIC BIRD has provided **suitable instruments for regions and their airports to stimulate the introduction of routes** to and from Baltic Sea regions with medium or low passenger potential. A pilot project has been carried out to develop innovative marketing and tourism strategies to attract airlines to set up new flight routes. In addition, peripheral regions and their airports have been provided with **sufficient knowledge on how to encourage airlines to operate flight routes** that are not economically viable flight by using application guidelines for PSO and RDF. They have a clear picture about the regional economic impact of such routes.

The project published the **BALTIC BIRD Joint Policy Framework Paper** which has been submitted to the General Directorates of the EU Commission for Competition (DG COMP), for Mobility and Transport (DG MOVE) and for Regional Policy (DG REGIO). The paper builds the basis for **future territorial development strategies** and focuses on **suggestions for**

the revision of EU guidelines on State-aid to airports and airlines (2014/C 99/03). Regional airports – even after a transition period of ten years – will probably continue to rely on public co-funding for airport operations.

The BALTIC BIRD partnership believes that the suggested amendments to the EU guidelines on State aid to airports and airlines will help the development of regional air transport and regional airports, thereby improving sustainability and ensuring the accessibility of peripheral regions and their social and economic development.



IMPRINT

Publisher/Lead Partner

Ministry of Economy and European Affairs of the State of Brandenburg
Heinrich-Mann-Allee 107
14473 Potsdam - Germany
www.mwe.brandenburg.de



Editor/Project Management

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21129 Hamburg - Germany
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Editor/Layout & Production/Communication Management

CONVIS Consult & Marketing GmbH
Margaretenstraße 10
14193 Berlin - Germany
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Release date

August 2014

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