



# Baltic Sea Region

Programme 2007–2013



## BALTIC BIRD

Improved Accessibility of the Baltic Sea Region  
by Air Transport

**Lead Partner:**

**Ministry of Economics & European Affairs  
State of Brandenburg, Germany**

Project Description

Hamburg, November 2010



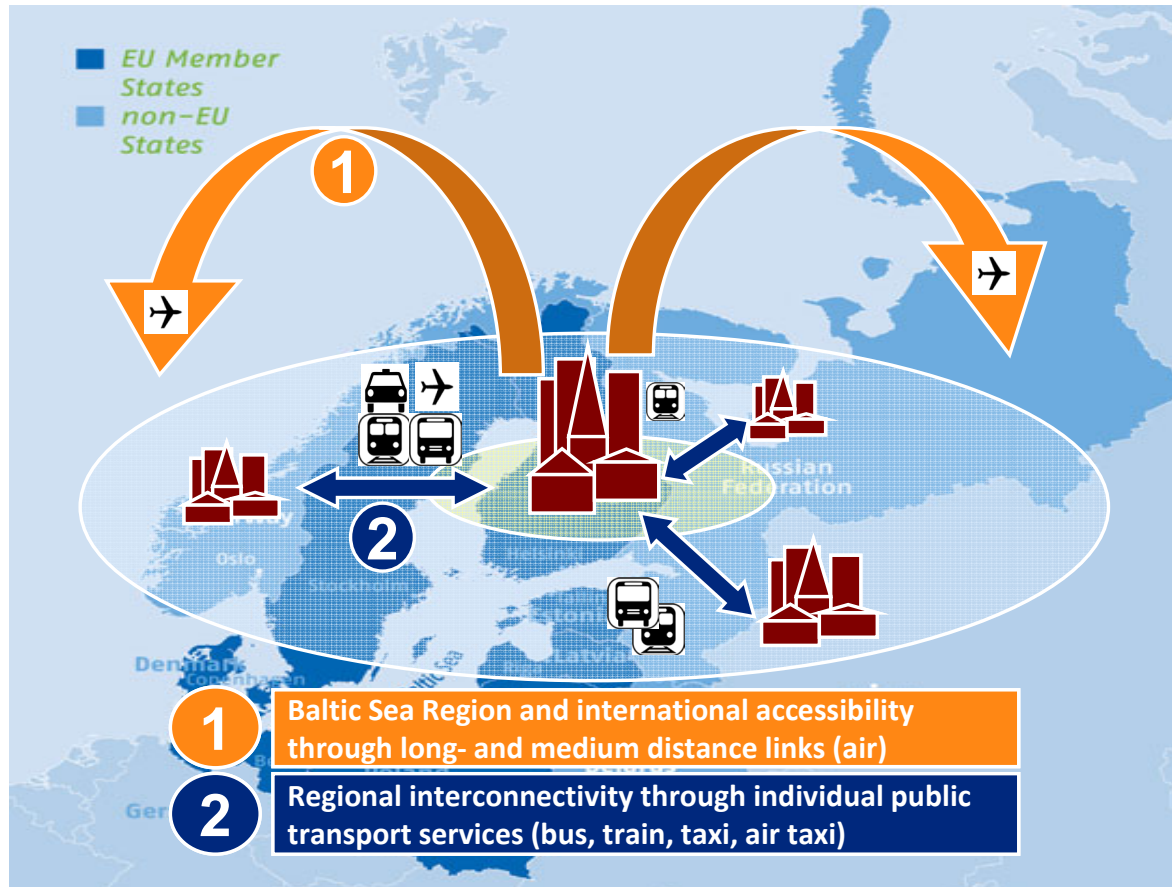
Part-financed by the  
European Union

**Ministry of Economics and  
European Affairs,  
State of Brandenburg**



“A 3-years-project  
for regions, airports and airlines  
aimed at improving air services  
in the Baltic Sea Region  
– with 75% to 85% co-financing  
from the European Union.”

## Enable Accessibility through Long-distance Linkage and Interconnectivity




- Strong role of **regional air transport** (airports, airlines) for the accessibility of Baltic Sea Region
- Positive impacts for the **regional economy** by direct, indirect, induced and catalyzed effects, even if direct airport operations are not profitable
- Inter-modal co-operation of air transport lead to sustainable catchment area expansion through better **hinterland connections**
- Support and promotion of regional air transport as elementary part of **cohesion** and **regional economic policy** (on national and EU-level)

**Improve of Airborne Accessibility in the Baltic Sea Region**

**Challenges in Air Transport in the BSR**

1. Low accessibility of peripheral Baltic Sea regions
2. Unknown PAX market potential
3. Small PAX market in peripheral Baltic Sea regions
4. Commercial risks to set up new flights
5. Politics often disadvantage small and medium airports
6. Pressure on higher sustainability of air transport



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Heading for improving the external and internal accessibility of the Baltic Sea Region

Dedicated to support trans-national co-operation

**Possible Solution through BALTIC BIRD**

1. Setting up new flight connections to peripheral Baltic Sea Regions
2. Route potential analyses
3. Tourism destination development in peripheral Baltic Sea Regions
4. Apply for Public Service Obligations
5. Lobbying initiative toward policy makers and institutions
6. Intermodal co-operation and innovative "individual public transport services"

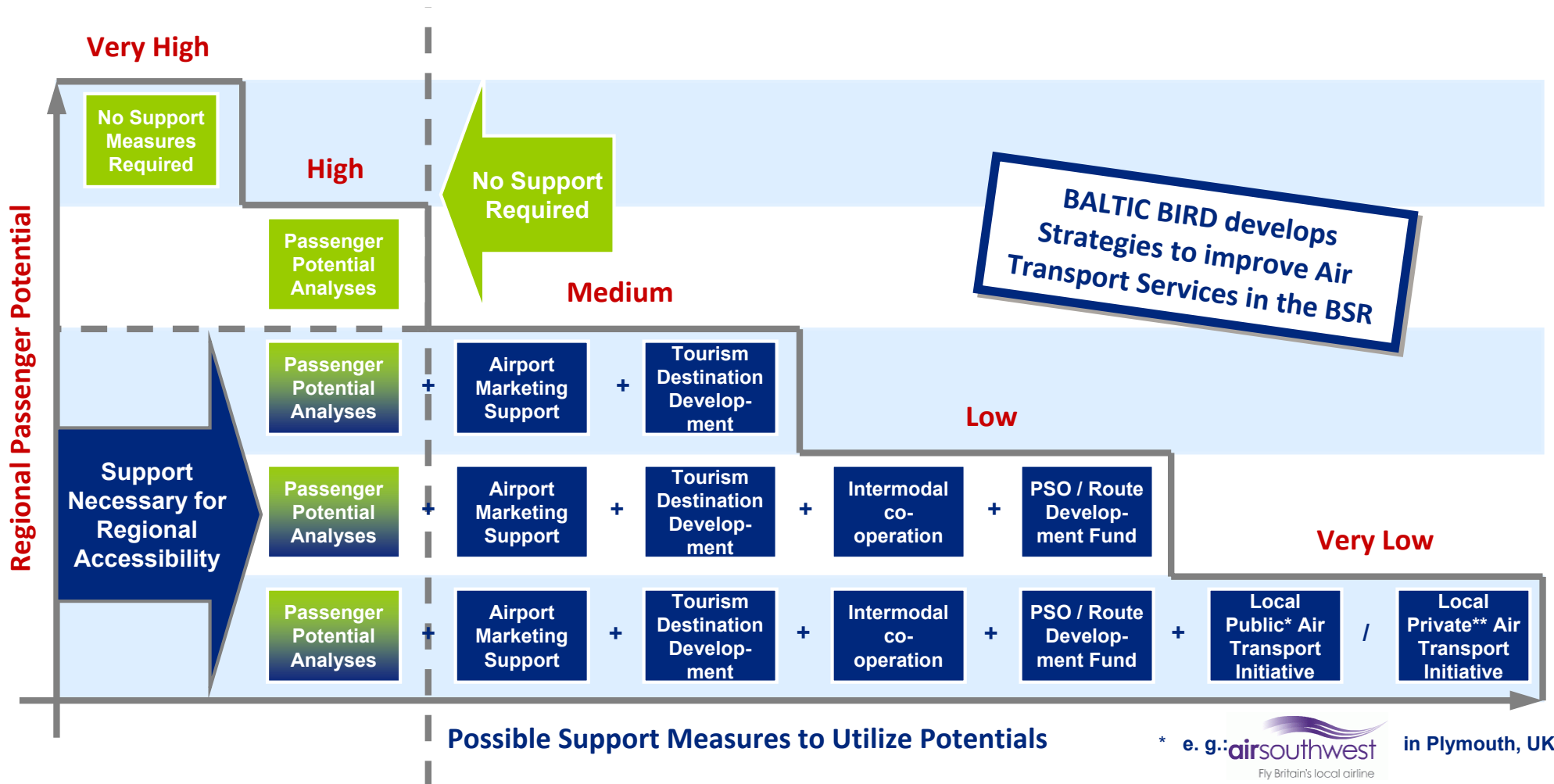
**INTERREG can support all project costs and solutions with 75% to 85% funding\***

\* except of partners from private industry

## How will BALTIC BIRD partners benefit?

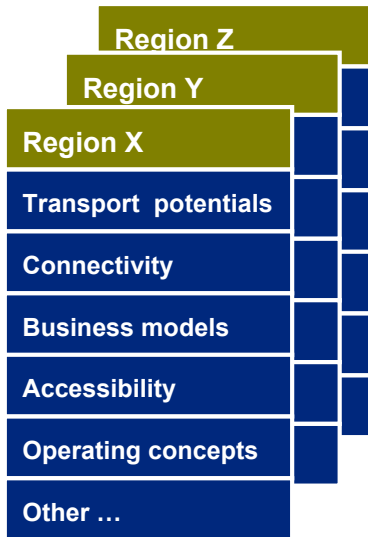
<p><b>Airports</b></p>	<ul style="list-style-type: none"> <li>▪ <b>Route potential analyses</b> help to identify actual and future market demand and are the basis for <b>new flight connections</b></li> <li>▪ Strategies on how to introduce new public funding options, e. g. <b>air route development fund</b> (“best practice” Scotland, 2002)</li> <li>▪ Project complements management’s busy day-to-day work with a <b>strategic perspective</b></li> </ul>
<p><b>Authorities</b></p>	<ul style="list-style-type: none"> <li>▪ Improvement of <b>regional accessibility – strengthening the region’s competitiveness</b></li> <li>▪ Positive impact on <b>employment and welfare</b>, especially in remote regions</li> <li>▪ Improved <b>economic sustainability</b> for the region’s airport, more funds available for other sectors</li> <li>▪ Potential for international <b>tourism destination development on an EU stage</b> (e. g. Santa Clause Village, Rovaniemi, Finland)</li> </ul>
<p><b>Airlines</b></p>	<ul style="list-style-type: none"> <li>▪ <b>Access to actual and detailed market potential analysis</b> for external and internal routes of the Baltic Sea Region</li> <li>▪ Opportunity for airlines to expand their position in <b>niche markets</b></li> <li>▪ Strategies on application of <b>Public Service Obligations</b> to reduce costs for flight connections</li> <li>▪ Transnational exchange of “best practices” on how to <b>develop new market demand</b></li> </ul>

**Strategies to Utilize Existing Passenger Market Potentials**



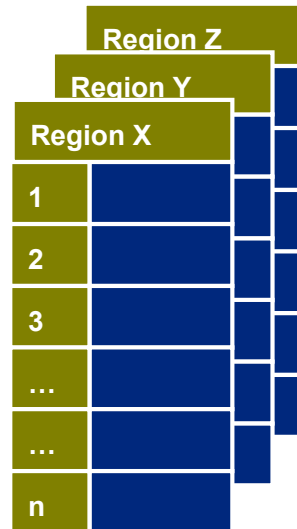
\* e. g.:  in Plymouth, UK  
Fly Britain's local airline

\*\*e. g.: Sverigeflyg Holding, Sweden



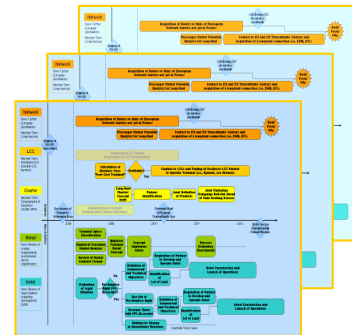
**1**

**Status and market analysis**



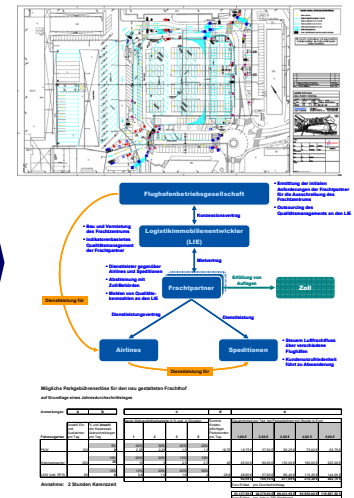
**2**

**Exchange of best practices**



**3**

**Development of accessibility strategies**



**4**

**Pilot investments and strategy implementation**

### Possible Project Outputs

- Execution of **route potential analyses** (= **route-specific market demand forecasts**) to and from partner regions to identify new routes to the benefit of airlines and airports
- Knowledge exchange on opportunities to utilize **EU-structural funds / co-financing** (e.g. to apply for public service obligations PSO)
- **Intermodal co-operation** and innovative **individual public transport services** lead to enhance **sustainability** of airborne accessibility in the Baltic Sea Region
- **PSO Public Service Obligations** and **air route development fund** imposed
- **Airport cost saving concepts** developed, exchanged, and implemented
- **Lobbying initiative** implemented towards national, international and EU bodies and the public to underscore the relevance of regional airports

### Possible Project Results (Example)

- **10% more passengers** at partner airports/airlines
- **6 additional airline routes** started among the partner airports
- Partner region's **accessibility increased by 5%**
- **3% reduced financial burden** on operators of small and medium airports
- **Higher awareness** of participating **project partners** on EU level
- Higher awareness of **air transport relevance** in the Baltic Sea Region

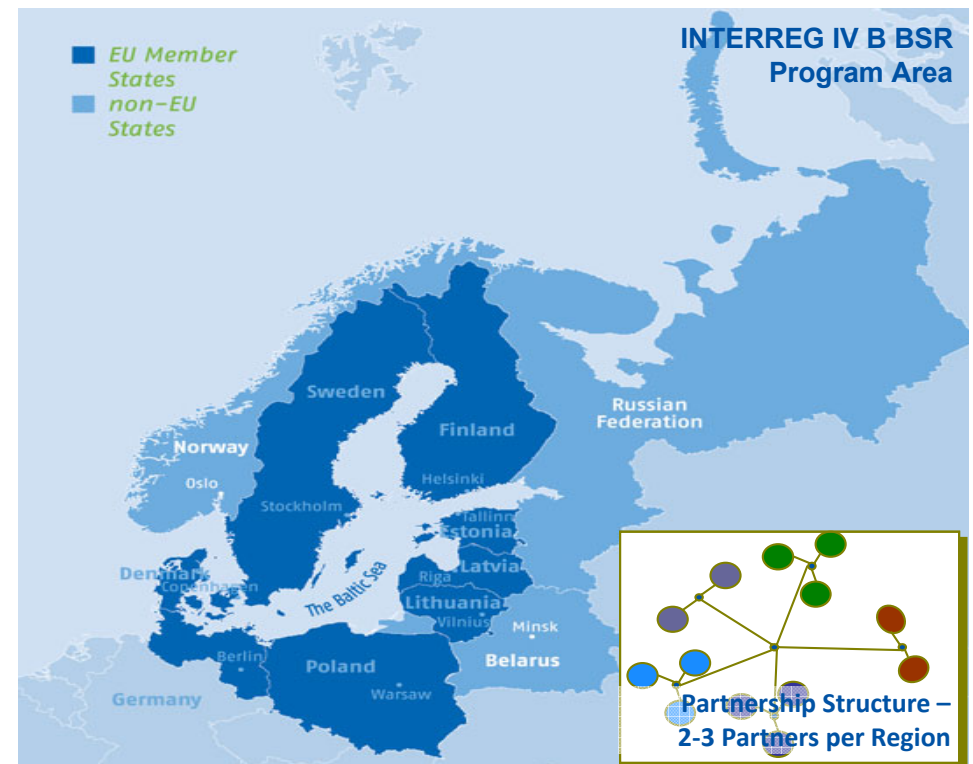


### Funding

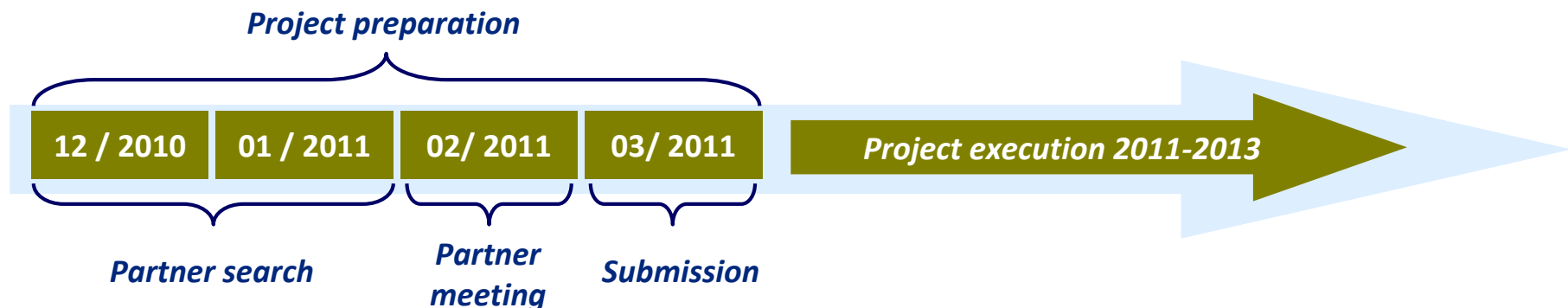
- Preliminary project budget € 2-3 million
- Co-financing rates depending on the origin of partners
  - up to 75% of eligible project costs generated by partners from Denmark, Germany, Sweden, Finland
  - up to 85% of eligible project costs generated by partners from Estonia, Latvia, Lithuania and Poland
  - up to 50% of eligible project costs generated by partners from Norway
  - up to 90% of eligible project costs generated by partners from Belarus
- Partner budgets of €50,000 to €300,000 (up to 15% partner share + 85% EU contribution)
- Partner share can be cash and/or **documented staff hours**
- Project duration of 36 months
- Project application: 4th call of INTERREG IV B BSR (until end of March 2011)
- Start of project work planned for fall 2011

### Partnership

- 1 lead partner plus 10-15 partners from the BSR
- Up to 5 regions with 2-3 partners each (i.e. regions, airports, airlines, research)



- 4th IV B BSR Call open from 1<sup>st</sup> December 2010 until 31<sup>st</sup> March 2011
- Identification and involvement of interested project partners (airports, airlines, regions/authorities,...)
- Meeting of project partners in February 2011
- Submission of project application March 2011
- Proposed project execution mid of 2011 – 2013





**Hartmut Beyer**  
Managing Director UNICONSULT

**UNICONSULT**  
Universal Transport Consulting GmbH  
Burchardkai 1  
21129 Hamburg – Germany

Phone           +49-40-74008-107

E-mail           [h.beyer@uniconsult-hamburg.de](mailto:h.beyer@uniconsult-hamburg.de)

Web              [www.uniconsult-hamburg.de](http://www.uniconsult-hamburg.de)



**Dr. Oliver Boldt**  
Project Development

**UNICONSULT**  
Universal Transport Consulting GmbH  
Burchardkai 1  
21129 Hamburg – Germany

Phone           +49-40-74008-116

E-mail           [o.boldt@uniconsult-hamburg.de](mailto:o.boldt@uniconsult-hamburg.de)

Web              [www.uniconsult-hamburg.de](http://www.uniconsult-hamburg.de)