

IMPROVING REGIONAL MARITIME CONNECTIVITY AND REVIEWING IMPLEMENTED INITIATIVES

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WSP Global

More than 50,000 Experts Globally OFFICE LOCATIONS

QUICK FACTS:

130+

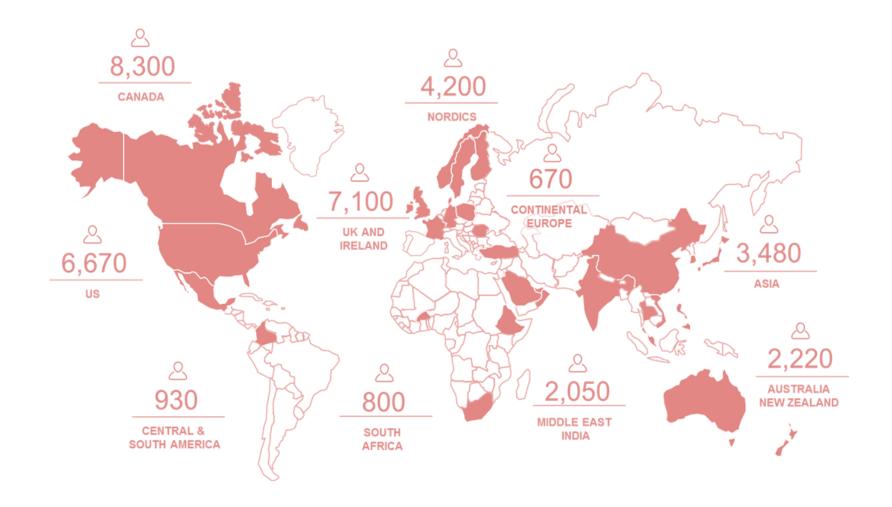
YEARS OF EXPERIENCE

250+

OFFICE LOCATIONS WORLDWIDE

300+

MARITIME EXPERTS





Maritime Advisory

Global Expertise Delivered Locally

 Global network of economic advisors with experience in advising governments and private sector clients of the economic impact of infrastructure spending

 World leading engineering consultancy with extensive experience in port and terminal development

- Integrated capabilities for shipping and transport projects
- Extensive track record in technical advisory
- Specific regional expertise in port facility development

ECONOMIC ADVISORY

INFRASTRUCTUR E AND PPP ADVISORY

- Global leader in infrastructure Engineering and advisory services
- Extensive experience in developing commercial and financial aspects of large scale infrastructure project
- Strong local and regional presence

ENGINEERING CONSULTANCY

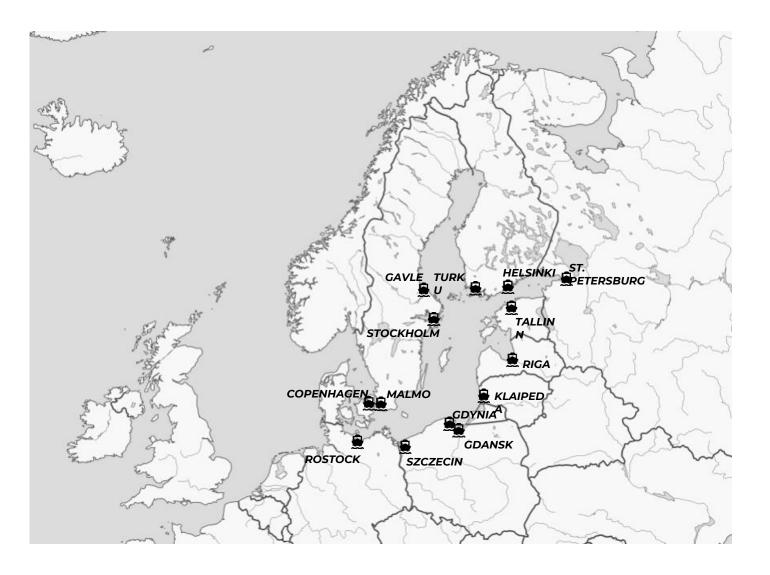
MARITIME AND LOGISTICS CONSULTANCY

- Established team of global experts in the various port and shipping markets
- Extensive expertise in the regional hinterland and transshipment markets
- World experts in port sector and shipping market forecasting
- Very strong team of international and local experts



Main Baltic ports

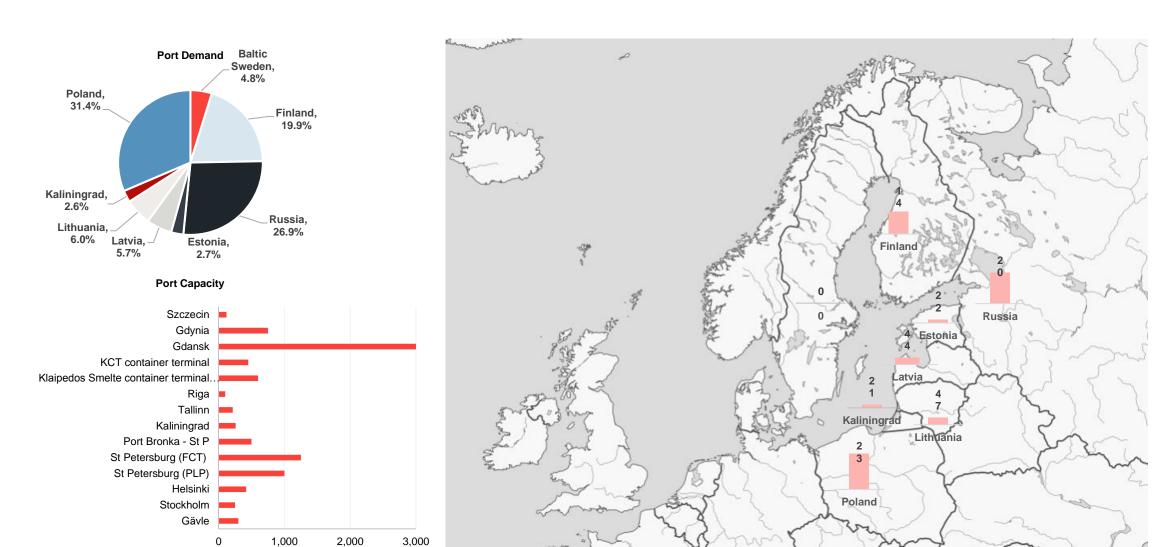
Region and Ports Under Review





Total Regional Baltic Container Port Capacity

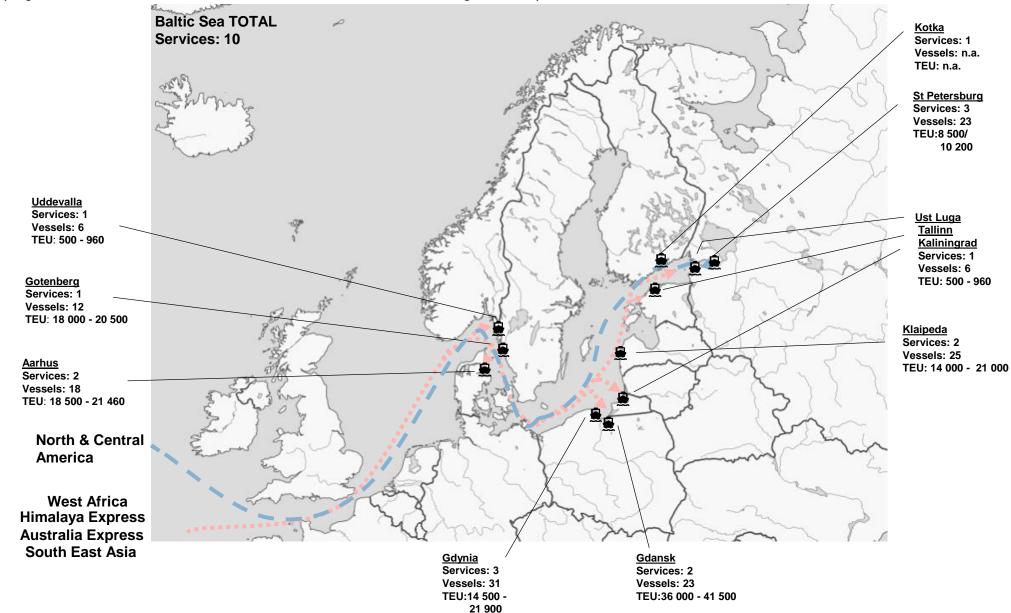
'000TEUs





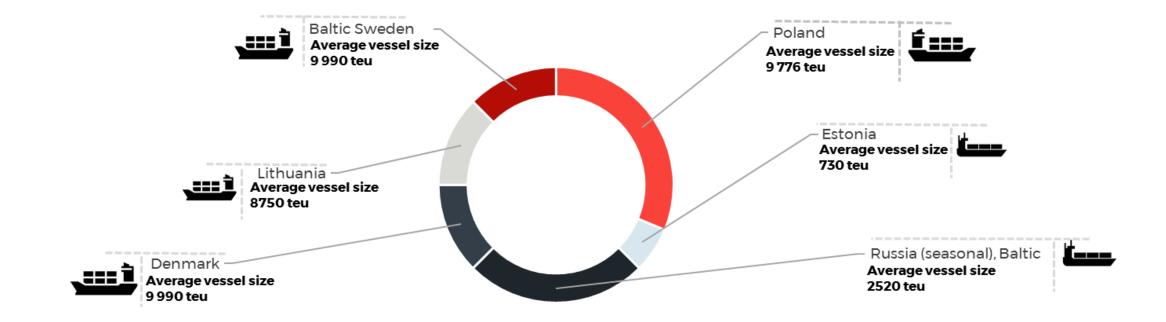
Baltic Sea Major Ports

Shipping line services to the Baltic Sea Ports + vessels on route and range of TEU per vessel





Vessels per Country per Week





Baltic Sea Container Feeder Services

Regional sea feeder services

Operators and partnerships active: 26

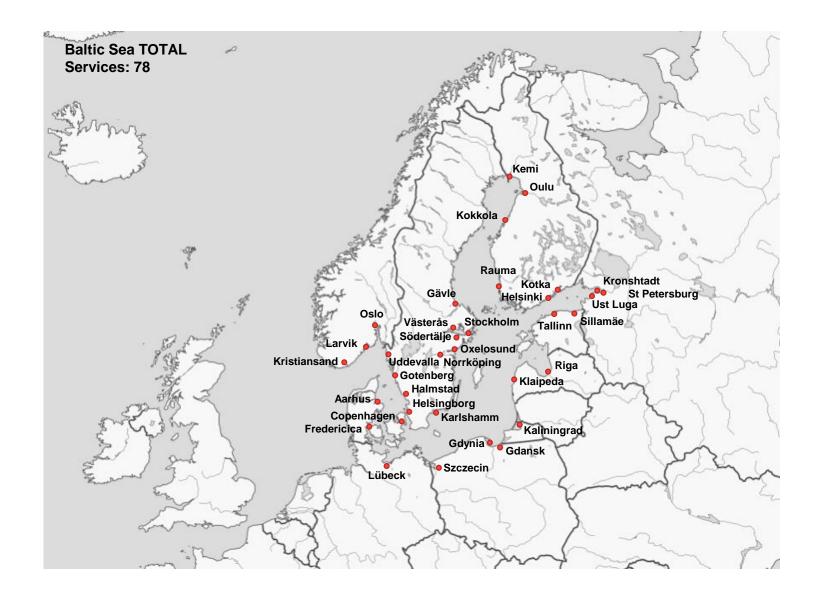
- CMA CGM
- Containerships
- COSCO
- Eimskip
- Hacklin
- Hapag-Lloyd
- Langh Ship
- MacAndrews
- MacAndrews / EuroAfrica Shg Lines
- MACS
- Mann Lines
- ----- Largest weekly capacity: 3 949 TEU - MSC ----
- Northern Shg Co
- ONE
- Samskip
- SCA Transforest
- Sea Connect
- Seago Line ------ Largest vessels: 3 600 TEU
- FESCO ESF / CMA CGM
- Shortsea Express Lines (SEL)
- Team Lines
- Thor Shipping & TransportUnifeeder
- Unifeeder / CMA CGM
- Unifeeder / X-Press Feeders ----- Longest rotation: 49 days
- Viasea Shipping (ColliCare)
- X-Press Feeders
- Yang Ming / COSCO

Number of services: 78

Amount of vessels: 146

Vessel size < 1000 TEU: 56

Vessel size > 1000 TEU: 90





Feeder Traffic Comparison

Baltic Sea feeder growth

2006	2011	2017
Number of vessels operating		
124	160	146
Average vessel size		
673	981	1,200
		
Total annual nominal TEU capacity ('000)		176
	157	
83.5		

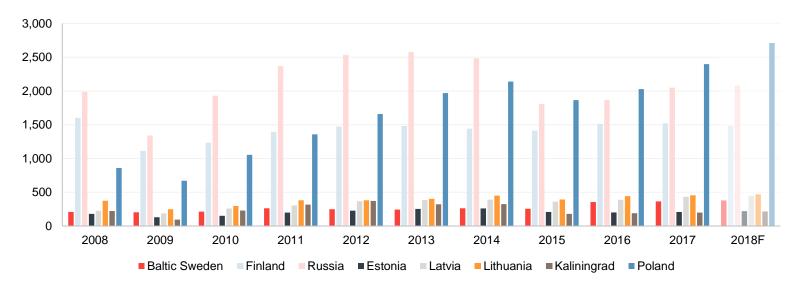


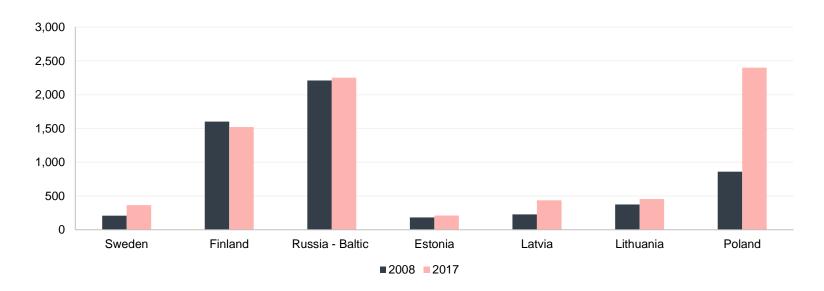
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Total Regional Baltic Container Port Demand

Annual teu national demand ('000)







Overview of Transshipment Ports and Developments in the Baltic Region

- Stockholm *Nynäshamn* to take over cargo handling from Stockholm's Frihamnen.
- · Gavle ongoing expansion plans.
- ICTSI and HPH in Gdynia are planning to combine resources in order to compete with DCT Gdansk along with the deepening of the channel.
- DCT Gdansk expanded Terminal 2, further providing capacity for deepwater vessels. Further plans announced
- **Petrolesport CT (St.Petersburg),** intends to upgrade the capacity by 2024 from 1.0m TEU capacity to 1.4m TEU.
- Fehmarn Belt Fixed Link is a planned immersed tunnel to connect the Denmark with Germany.
- KCT (Klaipeda) Container Terminal. to increase to 650,000 TEU to accommodate up to 8,000 TEU vessels with 13 m. draft.

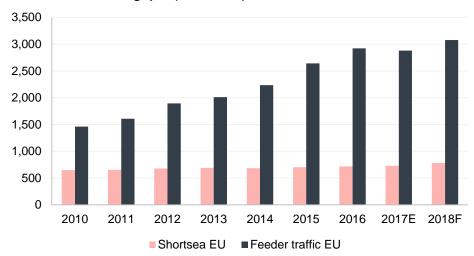


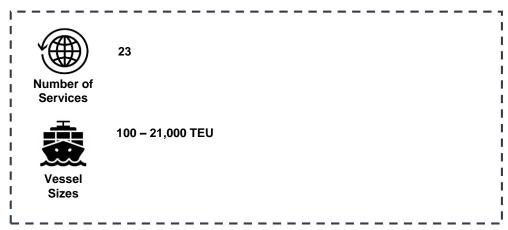


Brexit

Baltic Ports to the United Kingdom

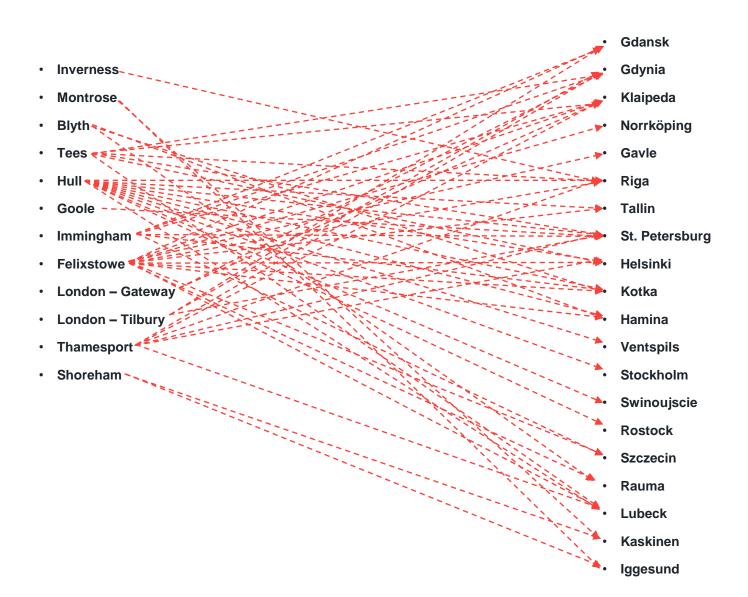
UK container throughput ('000 TEUs)













Russian Sanctions

Russian ports in the Baltic

Overview:

External Baltic Sea traffic to Russia: Average vessel size: 2600 TEU Number of vessels per week: 5

St Petersburg's planned container expansion terminals and Maersk's new ice-classed feeder vessels route shows market demand rising.

2014 Ukraine Crimean crisis **Sanction repercussions**. Total trade dropped 29.3% from 2014 to 2015 - along with an oil crisis. The negative fall returned to positive, 3.5%, in 2015-2016 to then more than double to 9.5% the year after (2016-2017).

Scenarios:

More sanctions

US provide more evidence on Russian interferences in elections and potential Russian action during November midterms elections. More sanctions levied.

Continuation

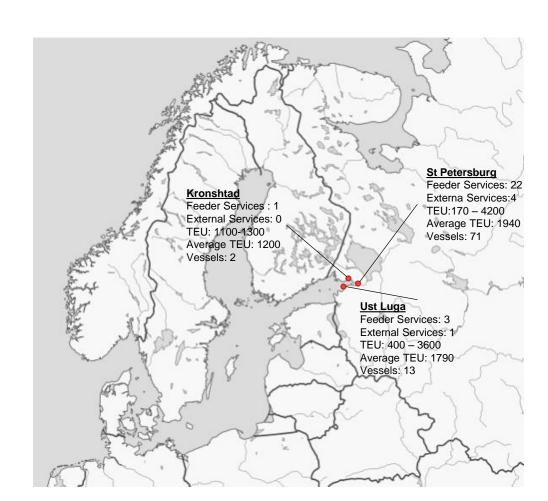
Unlikely to see remorse or policy shift from Russia on Skripal poisoning. Sanctions maintained.

Less sanctions

European business and economies suffer under sanctions due to strong energy ties. Business lobbies politics. Sanctions decline.

Russia's Regional Baltic Container Port Demand





Summary

Shipping has changed in the Baltic Sea due to:

- Russian Sanctions and Reduced Transit
- Better Accessibility to St Petersburg
- The ongoing Labour issues in Gothenburg
- The establishment of DCT Gdansk as a regional hub

Threats for the future:

- Further reduction of trade with Russia
- Planned expansion projects may alter patterns
- Improvements in Gothenburg
- Brexit



THANK YOU

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