# Challenges addressed comprehensively

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**The Baltic Ports Organization's (BPO) Comprehensive Ports Group (CPG) has met for the first time this year. The main topics discussed covered recent records achieved by the ports and growth opportunities in the context of the development of the renewable energy sector, especially wind energy.**

Port representatives of Hanko, Kaskinen, Pietarsaari, Stralsund, Ystad, and Saarte Liinid participated in the first 2022 meeting of BPO's CPG, looking back at the previous year and identifying topics that will drive the discussion in the coming months.

## Good numbers…

All of the gathered port representatives described 2021 as overall good, with the industry bouncing back from the tribulations of 2020 and the early pandemic-related difficulties that put a severe strain on the global economy.

In many cases, the achieved records were exceedingly good. Saarte Liinid registered one of the three best years in the port company's history, with considerable volumes in passenger travel and vessel calls. These numbers were driven by passenger traffic turning inland due to restrictions on international travel. On the cargo side, the situation remains stable. Yet, the company faces the dilemma of losing nearly a third of its cargo volumes in the next five to ten years due to environmental regulations foreseeing the restoration of wetlands, a source of peat handled in its ports.

The Port of Ystad also had a good year, opening new berths and investing in new fairways. Passenger traffic and cargo turnover grew, presenting a much better picture than in 2020, with 2.3m ferry & cruise travellers and over 3.1mt handled.

For Hanko, the situation improved, too, and is much better than the forecast from 2021's start, as the port registered its second-best year in history. The unitised cargo segment is growing, and the Finnish seaport even enjoyed a few cruise calls, a new development that may present new opportunities in the future.

The records in the Port of Stralsund, similarly to its counterparts, are looking much better than in 2020. That said, the situation isn't close to being as stable as five years ago, with cargo figures promising to remain very volatile. The port lost volumes due to the difficulties faced by the German shipbuilding industry. However, MV Werften – comprised of shipyards in Stralsund, Rostock, and Wismar – filing for bankruptcy also poses some potential opportunities for the port. Taking over the existing infrastructure may allow the port to grow and dip its toes into the offshore industry.

## … sometimes aren't enough

Despite registering good numbers, the ports of Kaskinen and Pietarsaari, with the latter noting 20% growth in volumes, have suggested that the future may prove challenging. At this point, it is of utmost importance to note that a problematic situation of a port also means difficulties for the nearby business ecosystem and the development of local economies.

As of right now, to be classified as a Comprehensive Port within the TEN-T, a seaport must meet one of the following conditions: the total annual passenger traffic volume exceeds 0.1% of the total annual passenger traffic volume of all maritime ports of the EU; the yearly cargo volume exceeds 0.1% of the total annual cargo volume handled in all EU seaports; the port is located on an island and provides the sole point of access to a NUTS 3 region (i.e., small regions for specific diagnoses) in the Comprehensive Network; lastly, the port is located in an outermost region or a peripheral area, outside a radius of 200 km from the nearest other port in the Comprehensive Network.

With the rise of volumes handled by the block's seaports, it becomes more and more difficult for smaller ports to fulfil the criteria. Policymakers must enter a more open dialogue with port representatives to assess the current benchmarks and revise them as necessary.

There are 87 ports in the Baltic Sea region included in the TEN-T. Out of these, 65 are classified as Comprehensive Ports, and 26 are BPO Members. These ports are a vital part of Europe's transport network. They play a crucial role in assuring smooth cargo flows and allowing for the diversification of transportation channels. Additionally, they are critical to the development and growth of local economies.

BPO's CPG plans to meet in May 2022 to discuss further the challenges faced by the TEN-T Comprehensive Port sector. ■