

Baltic Ports Conference 2022 concludes

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The Baltic Ports Conference 2022 concluded in Gdynia on 8 September. It was the first face-to-face meeting of the Members of the Baltic Ports Organization (BPO) since the outbreak of the pandemic, hosted this year by the Port of Gdynia and gathering over 150 participants. The main discussion revolved around the current geopolitical situation in the Baltic Sea region (BSR) and Europe and their impact on the maritime transport sector.

During the opening speeches, Kimmo Naski, BPO's Chairman, Katarzyna Gruszecka-Spychała, City of Gdynia's Deputy Mayor, and Maciej Bąk, the Port of Gdynia's Board's VP, underscored the need to view seaports as strategic assets of the European Union in these times of change. Russia's war of aggression brings new challenges that will continue to impact the economy and trade in Europe significantly.

Resilience above all

In his keynote speech, Aaron Korewa (Atlantic Council) stated that Russian aggression is currently the most challenging issue for Europe since the outbreak of World War II. If all pieces fall right, Europe and the EU part of the Baltic may ensure their security for many years. But it is paramount to remain vigilant. It can only happen under an increased cross-Baltic collaboration. It will fail if the north and south coasts of the Baltic Sea stay separated security-wise; safeguarding it will require political impetus, time, resources, and shared risk.

Geopolitics was also the main subject of the event's first two discussion panels. Representatives from the European Sea Ports Organisation, the Council of the Baltic Sea States, the Polish Economic Institute, and the Port of Riga cited

resilience as the key factor in a time of heightened uncertainty. Agile cooperation and long-term planning, essentially looking beyond the war, are required to face the consequences that are sure to follow.

Those broad strokes were then analysed in more detail by guests from the ports of Helsinki, Rostock, and Ystad, as well as Unifeeder. The panellists went deeper into the concrete effects the under-sanction trade has had on their business. Further aspects were explored by Dr Dorota Książkiewicz (University of Gdańsk), citing, a.o., rising military expenditures, tightening credit availability, and concerns related to costs and stability of energy sourcing as further challenges that economies and industries will have to tackle.

A new scene for Baltic ports

One of the event's highlights was the presentation based on the upcoming BPO report ***Baltic Sea Region – a new scene for Baltic ports***. The document offers an in-depth analysis of the new political situation in the BSR, the consequences of sanctions and counter-sanctions the West imposed on Russia and Belarus on international trade, outlooks for economy and trade in the BSR, energy security issues, and much more.

The presentation highlighted the impact the war has had on many cargoes,

including liquefied natural gas (LNG), coal, and containers – internationally and in transit. For LNG, imports in Świnoujście and Klaipėda rose by 35% and 44.1%, respectively, between January and June 2022 compared to the same period in 2021. Since many European countries used to import coal from Russia, bans on these affected them in a significant way. In the case of Polish ports, coal throughput registered a Q2 2022 bump of 62.5% year-on-year. Looking at transit cargo, Klaipėda, the prime export port for Belarusian fertilisers, observed a drop of 50.8% yoy in H1 2022. HaminaKotka was also affected, noting a decrease of 21.4% yoy in Q2 2022.

“Given the uncertain and dynamically evolving geopolitical situation in Europe, which also greatly affects the Baltic port sector, it was a natural step to prepare a comprehensive document highlighting the most important aspects and acting as a source of information for our Members and other stakeholders involved in the maritime community. We believe that the report will enhance the decision-making process of its readers and contribute to the development of their business in these challenging times,” Bogdan Ołdakowski, BPO's Secretary General, said.

The report mentioned above is packed with far more data and evaluation, which is impossible to cover in the scope of a single



presentation. The publication will be made available by the BPO Secretariat upon request.

Energy transition as both a challenge and an opportunity

The agenda of this year's Baltic Ports Conference couldn't exclude the challenges and opportunities related to the upcoming energy transition. Asked whether the goals stated within the European Green Deal for shipping are achievable, Steve Esau (SEA-LNG) answered: "yes, but..." It will all depend on the final greenhouse gas intensity limit trajectory agreed upon for the FuelEU Maritime regulation and the readiness to act with pragmatism over idealism.

Regarding preparing for the opportunities the transition will open before ports, Algis Latakas (Port of Klaipėda) underlined the need for investments in modern infrastructure as a prerequisite for entering new markets and changing

trade routes. However, these investments need to be evaluated very carefully as they are linked to the characteristics of a given port, such as the type of traffic it handles. They also may depend on local policies and regulations. According to representatives of the ports of Gdynia and Tallinn, and Ernst & Young, long-term thinking and betting on solutions that will remain in use while the energy mix changes will be critical.

Technology at the forefront of change

It was great to see numerous Conference Partners' presentations showcasing some of their latest solutions, which can bolster the maritime sector's quest for continuous competitiveness, sustainability, and operational efficiency.

Karri Koistinen (GISGRO) shared his thoughts on utilising port environmental data in decision-making to get the most

out of green investments. Graham Howe (Marlin SmartPort) explained how daily port operations could be optimised by using digital tools (allowing us to give up on Excel once and for all). Lauri-Tapio Korhonen (Grieg Connect) proved that port call management from order to delivery doesn't have to involve hundreds of emails and phone calls. Last but not least, Manu Grönlund (Enersense) introduced the benefits of a floating ro-ro pontoon.

The event concluded with a boat trip organised by the hosts from the Port of Gdynia. The leisurely but informative tour allowed a look 'from the waterside' into harbour operations. Guests could relax and catch some sunshine after all the networking at the previous evening's cocktail party, courtesy of Stena Line.

The Baltic Ports Conference will return on 6-8 September 2023, hosted by the Port of Ystad.