



Economic Impacts of Maritime Transportation and Ports

Tue 12th June, 2007 Hamina Port-Net Workshop

professor Ulla Tapaninen

University of Turku / Centre for Maritime Studies

Kotka Maritime Research Centre



TURUN YLIOPISTO
UNIVERSITY OF TURKU

Contents

Presentation

Finland's foreign trade

Traffic growth in the Baltic Sea Region

Economic impact of transit traffic

Economic impact of sea transportation and
ports



CENTRE FOR MARITIME STUDIES, University of Turku

- A separate unit of University of Turku, found 1980
- Education and Conference Services unit offer training programmes and seminars in the area of maritime transport
- Research and Consulting unit offers logistics and industry business consulting, research and development projects for the maritime sector and international co-operation projects
- Three regional units Pori, Rauma and Kotka
- 2007: 12 research projects e.g.
 - Sea Cluster of South Western Finland, Maritime safety, Economical impact of Kymenlaakso ports, Fishing of Estonia, TRANSGOF (Logistics between Finland and Russia), Nordic Triangle Sea Motorway, InLoC, LogVas



Maritime logistics

Ulla Tapaninen
University of Turku

Port logistics

Kymenlaakso university
of applied sciences

**Maritime and
port operation
logistics**

Maritime biology

Sakari Kuikka
University of Helsinki

Maritime safety

Pentti Kujala
Helsinki University of
Technology

**Environmental impacts
of maritime transport,
prevention and
combating technology**

**Maritime safety
and winter navigation**



Contents

Presentation

Finland's foreign trade

Traffic growth in the Baltic Sea Region

Economic impact of transit traffic

Economic impact of sea transportation and
ports



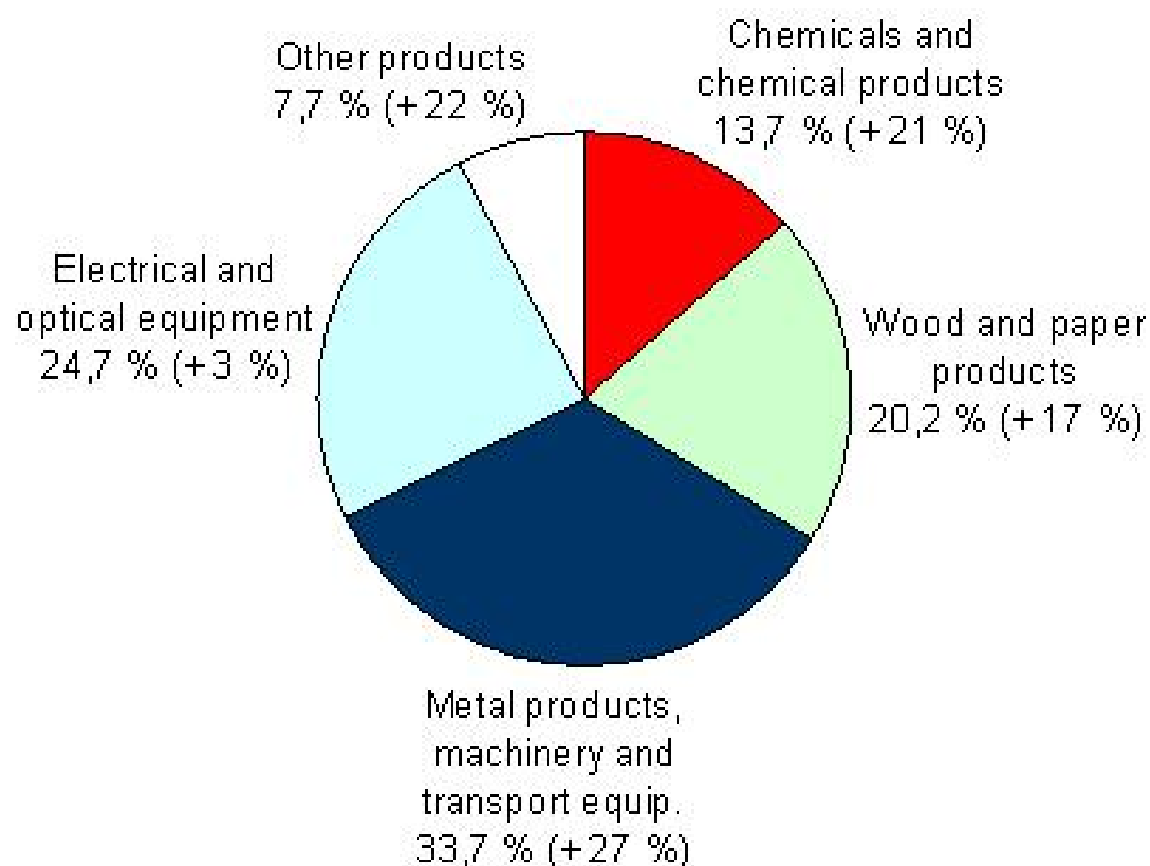


TULLI

TULL·CUSTOMS

Exports by Products by Activity (CPA) 2006

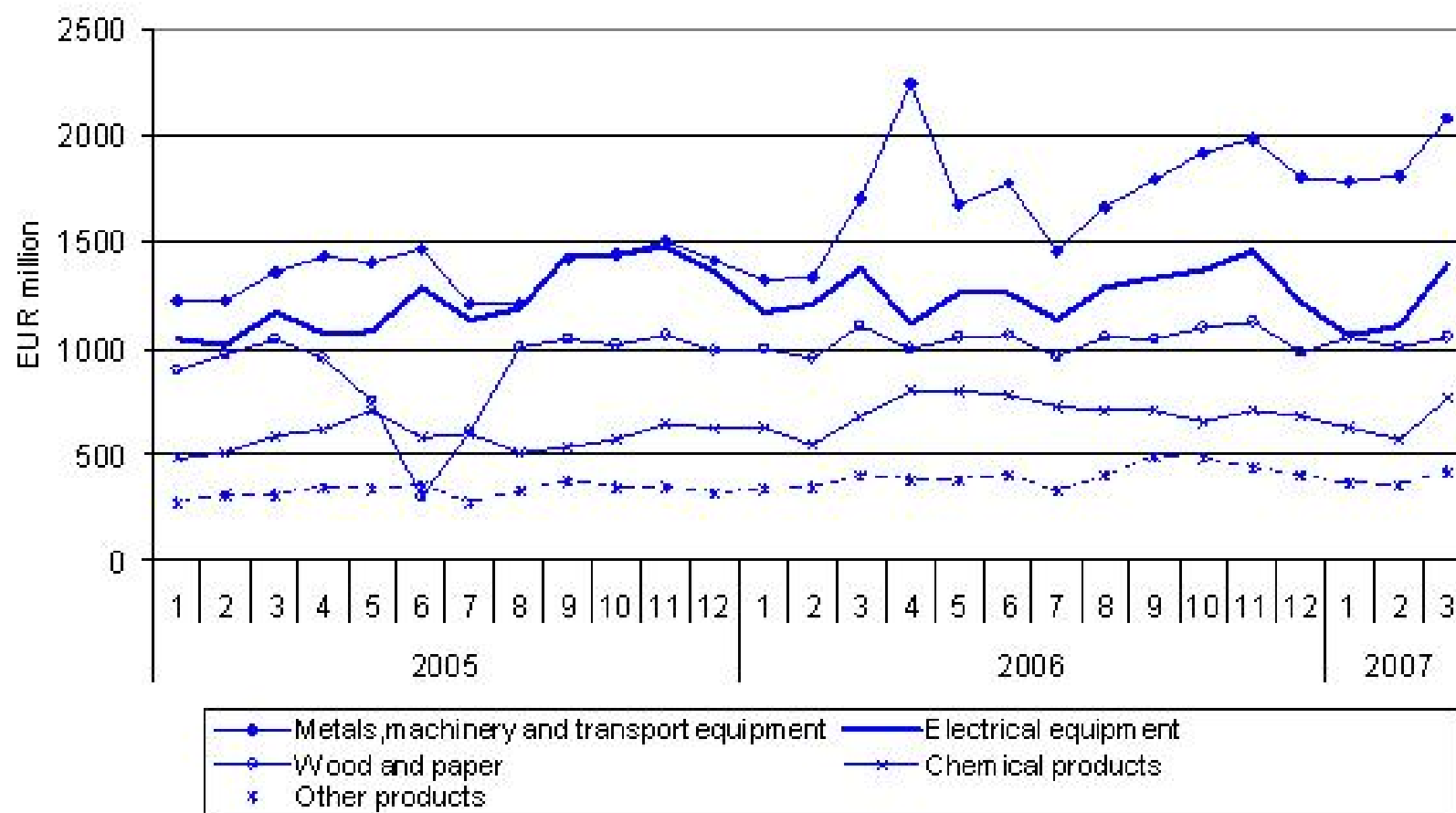
Share and change in value (%)





TULLI
TULLI·CUSTOMS

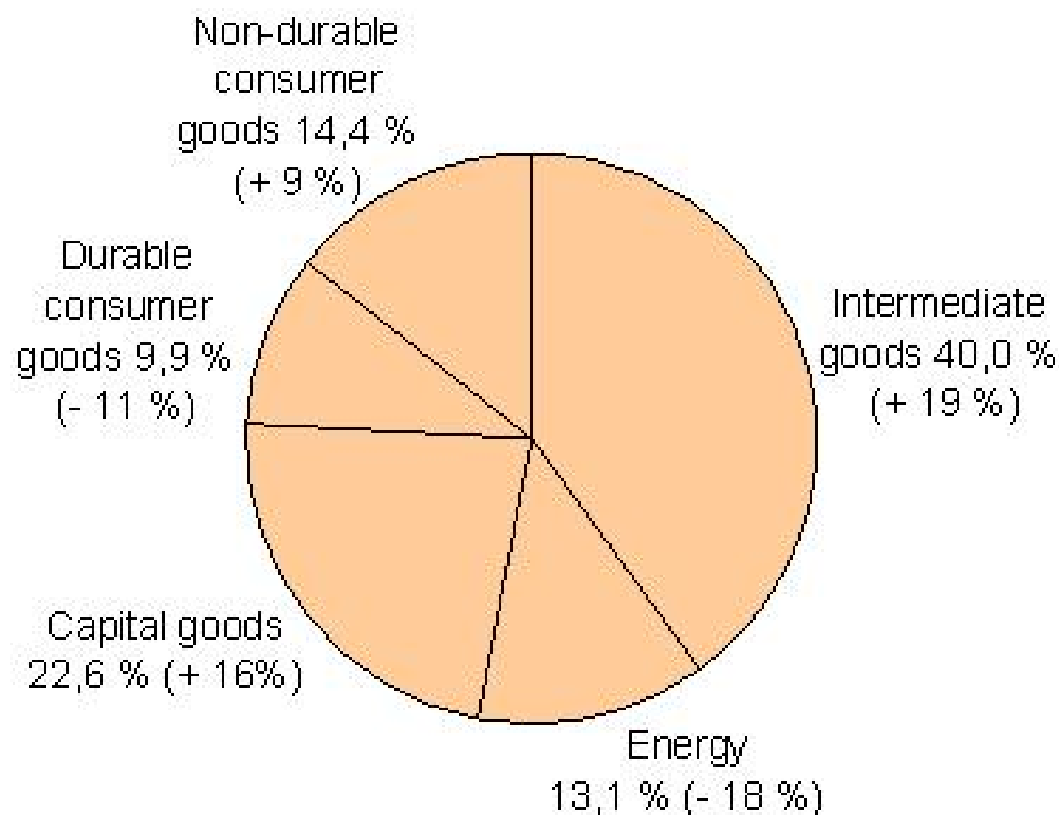
Monthly exports by Products by Activity (CPA) 2005-2007(1-3)





Imports by use of goods in 2007(1-3)

Share and change in value (%)

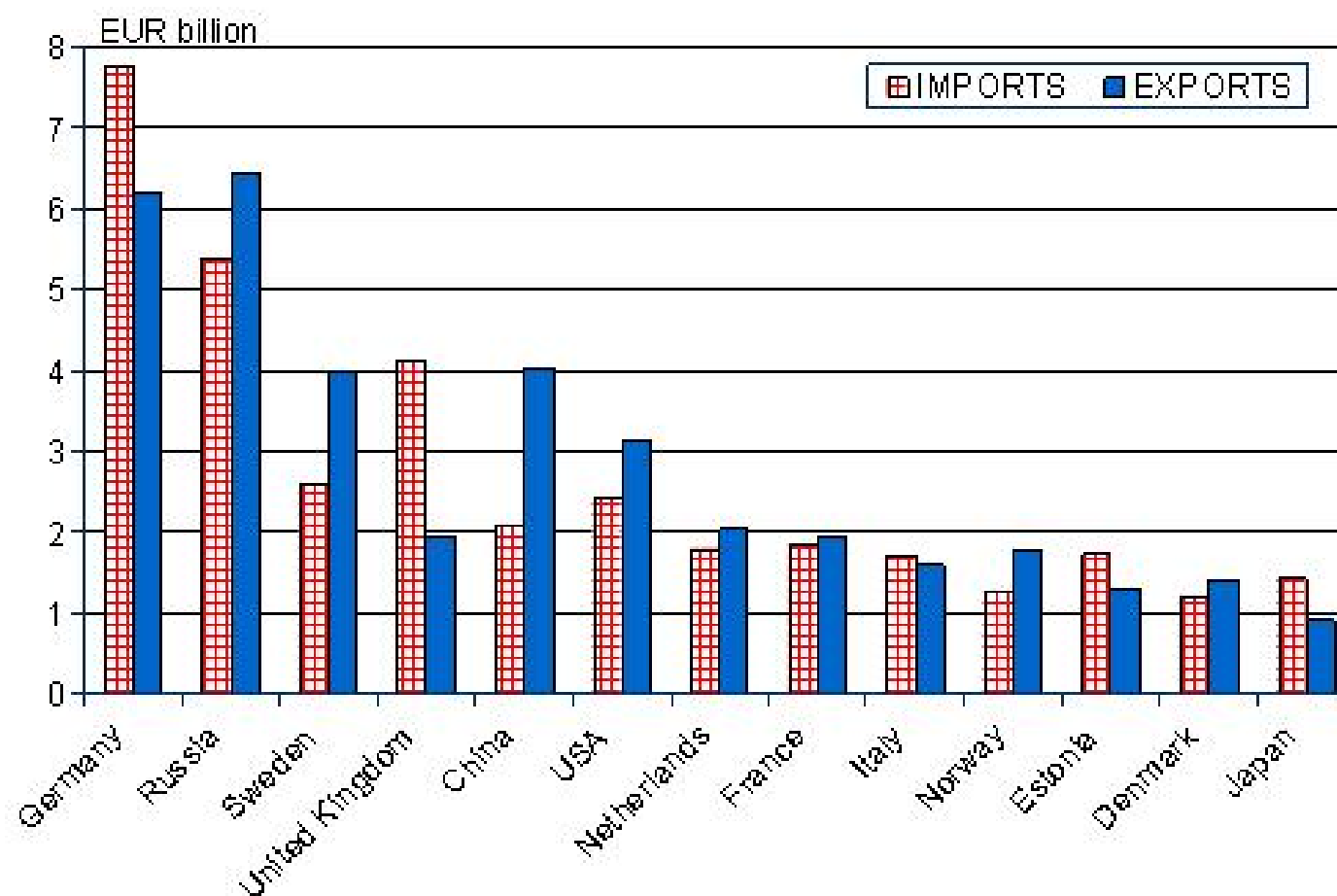




TULLI
TULLI·CUSTOMS

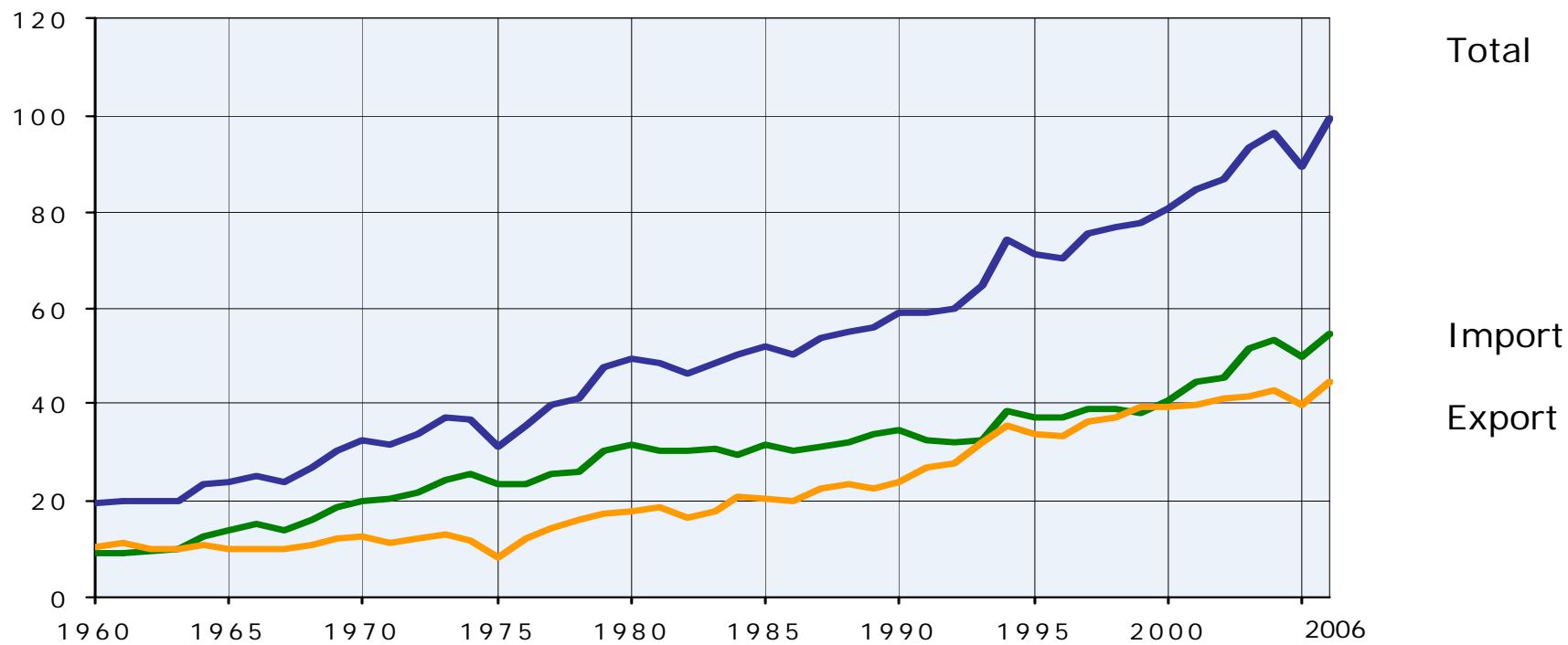
Foreign trade by countries in 2006

In order of magnitude according to total exchange

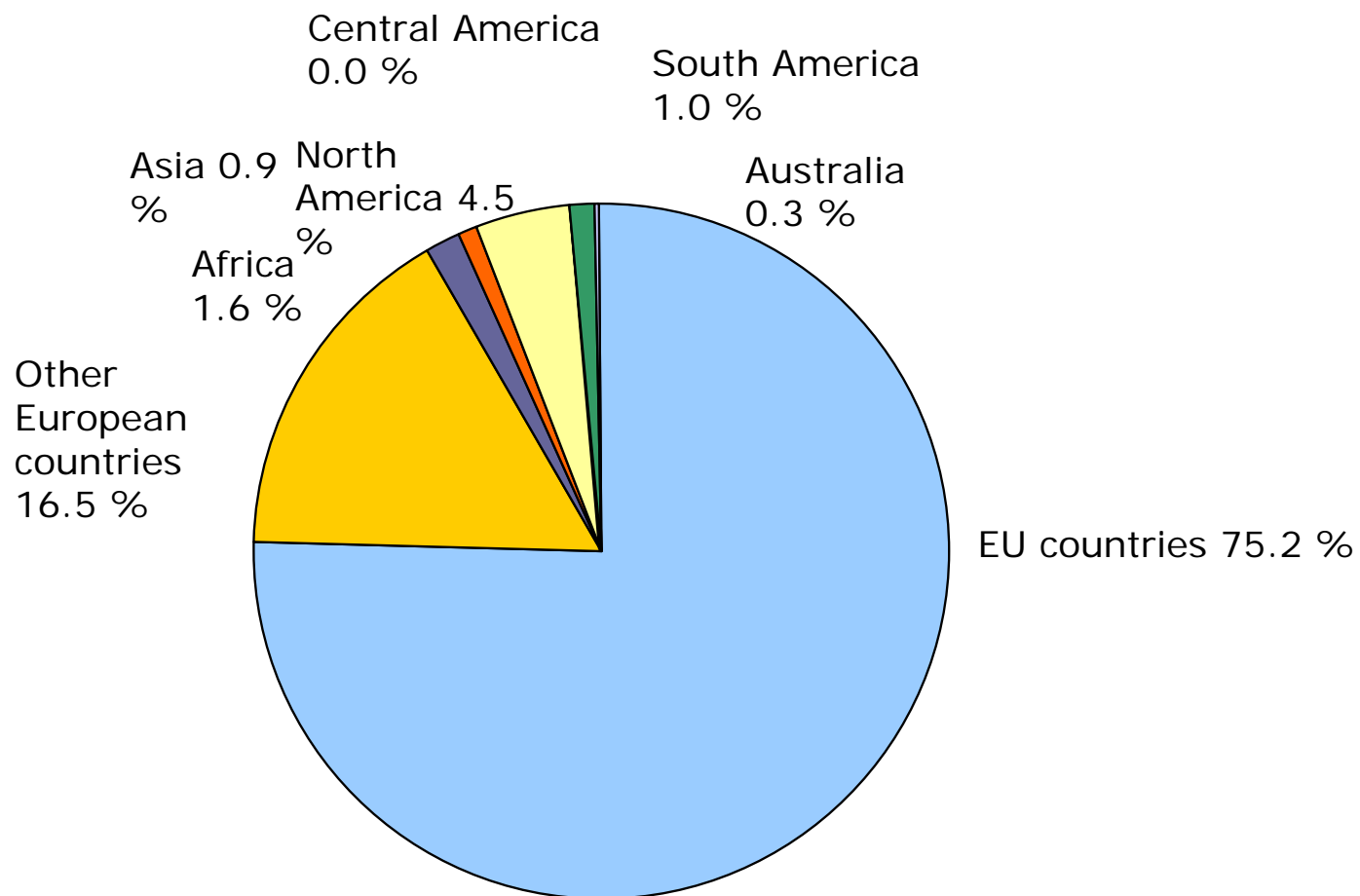


Seaborne transports between Finland and foreign countries, 1960-2006

Million tons



Seaborne trade between Finland and foreign countries by area, 2006



Contents

Presentation

Finland's foreign trade

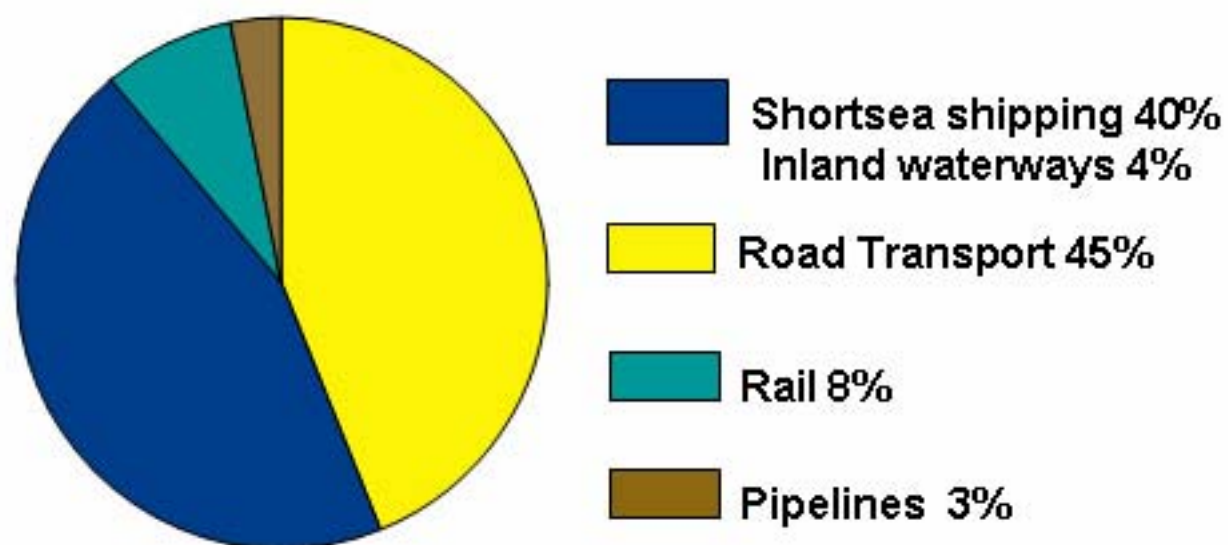
Traffic growth in the Baltic Sea Region

Economic impact of transit traffic

Economic impact of sea transportation and
ports

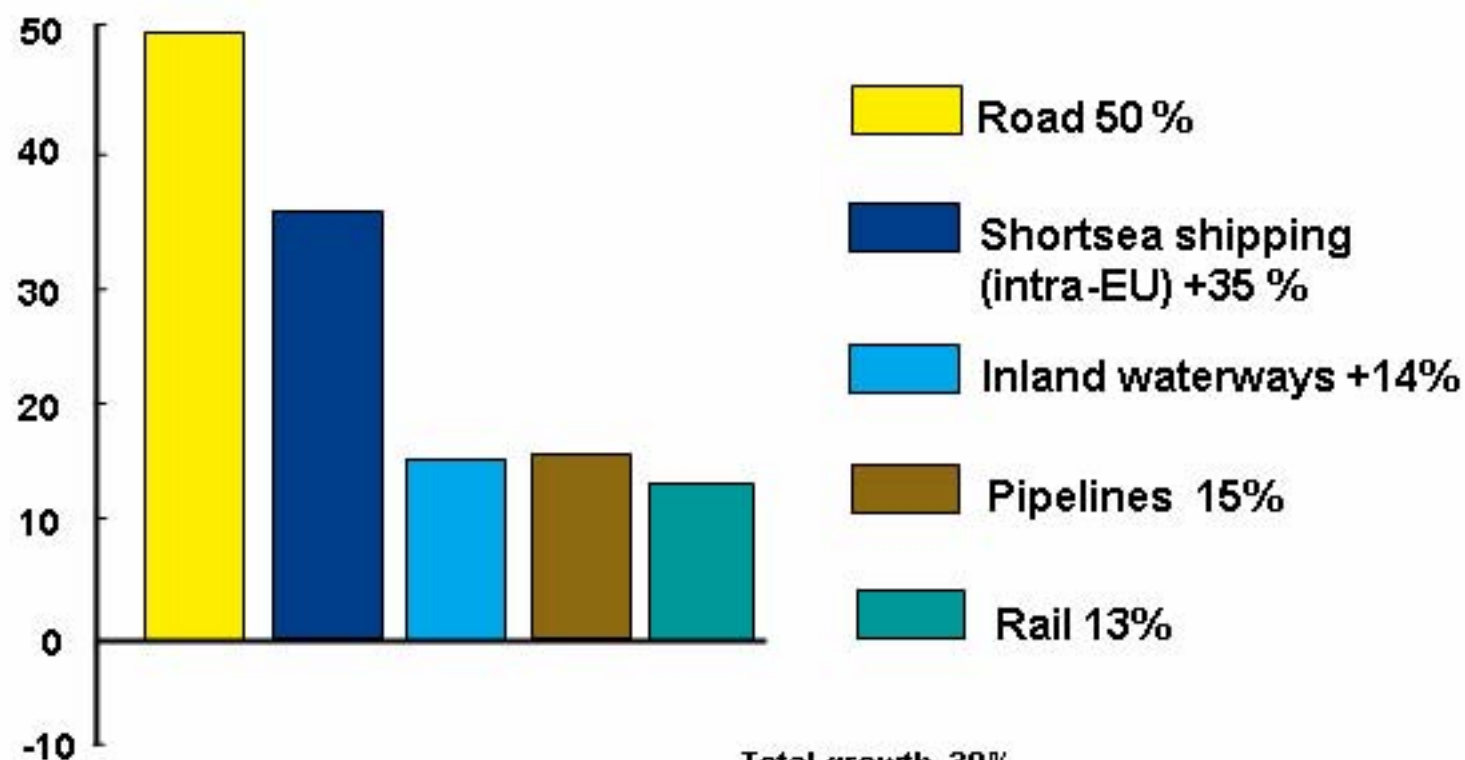


MODAL SPLIT IN 2001, GOODS TRANSPORT



Source: EU TRANSPORT IN FIGURES. Statistical Pocket Book 2003.

PROGNOSIS : TRANSPORT GROWTH (tkm) IN 1998 – 2010



Total growth 38%.

Sources: EU TRANSPORT IN FIGURES
1999, White Paper on Transport 2001 (SPC
Finland)

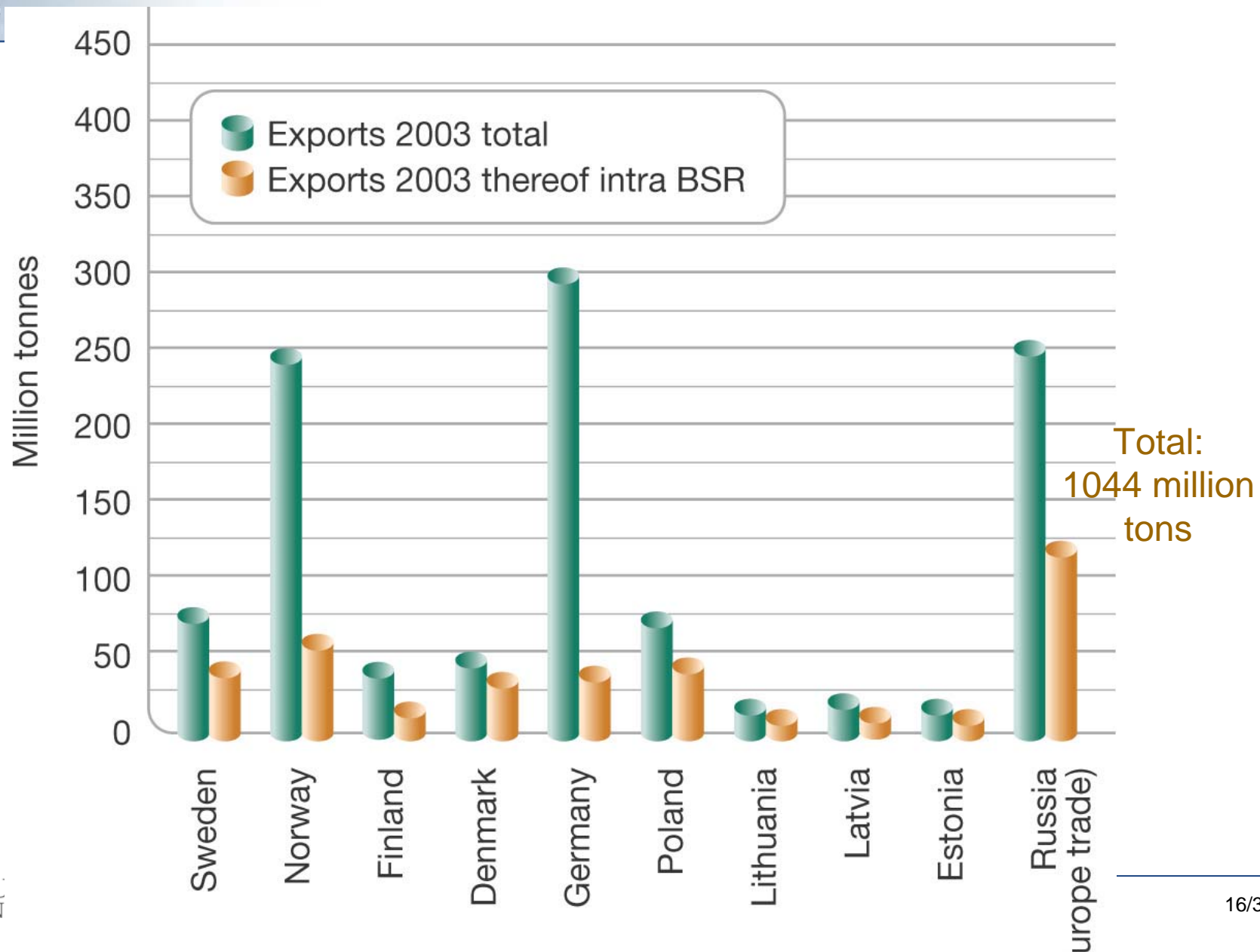


THE BALTIC SEA REGION

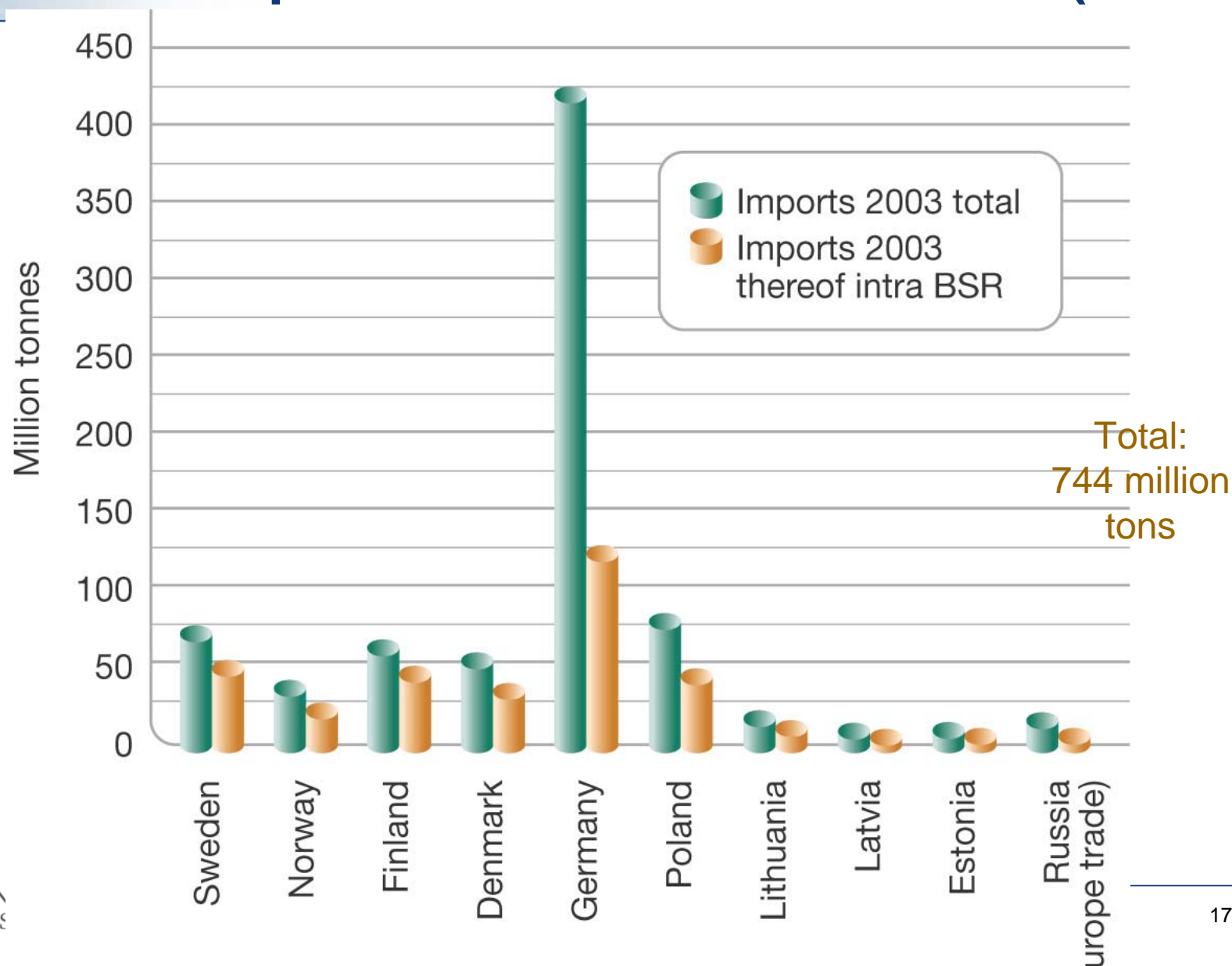


- 46 % of the total EU area, 23 % of the total EU population, 16 % of the total EU GDP
- Total population 103 million, aggregated GDP 1 609 billion euro in 2004 (2 056 with Russia)
- Heterogeneous region: economy, population, resources and structures
- Region of economic growth – World and Europe
- Between 1995 and 2004 the aggregated GDP grew 42,4 %
- 9 of 10 BSR countries above average EU GDP growth
- Attracted foreign direct investments
- Challenging but positive economic perspectives – partly dependent on Russia

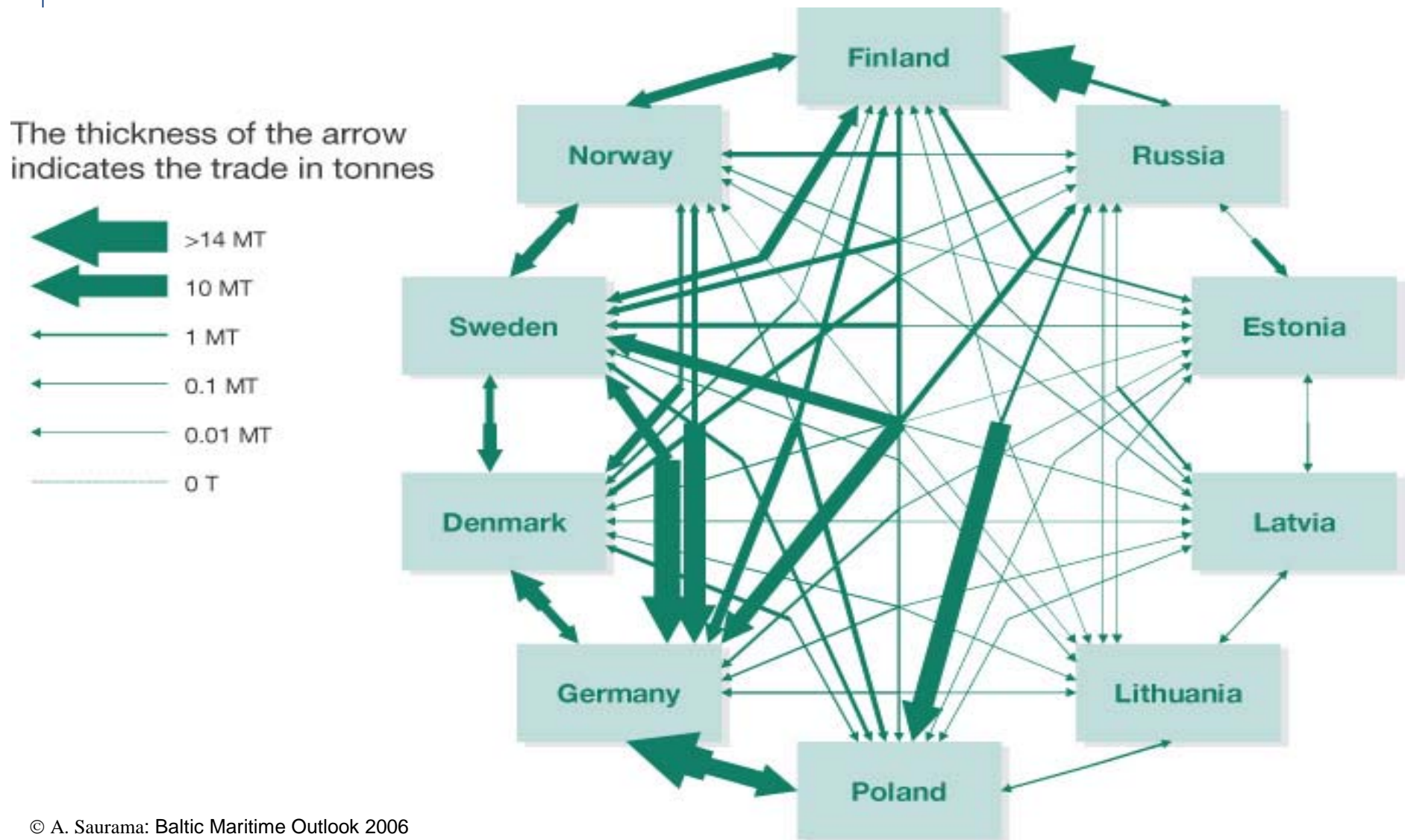
TRADE Exports of BSR countries 2003 (in tons)



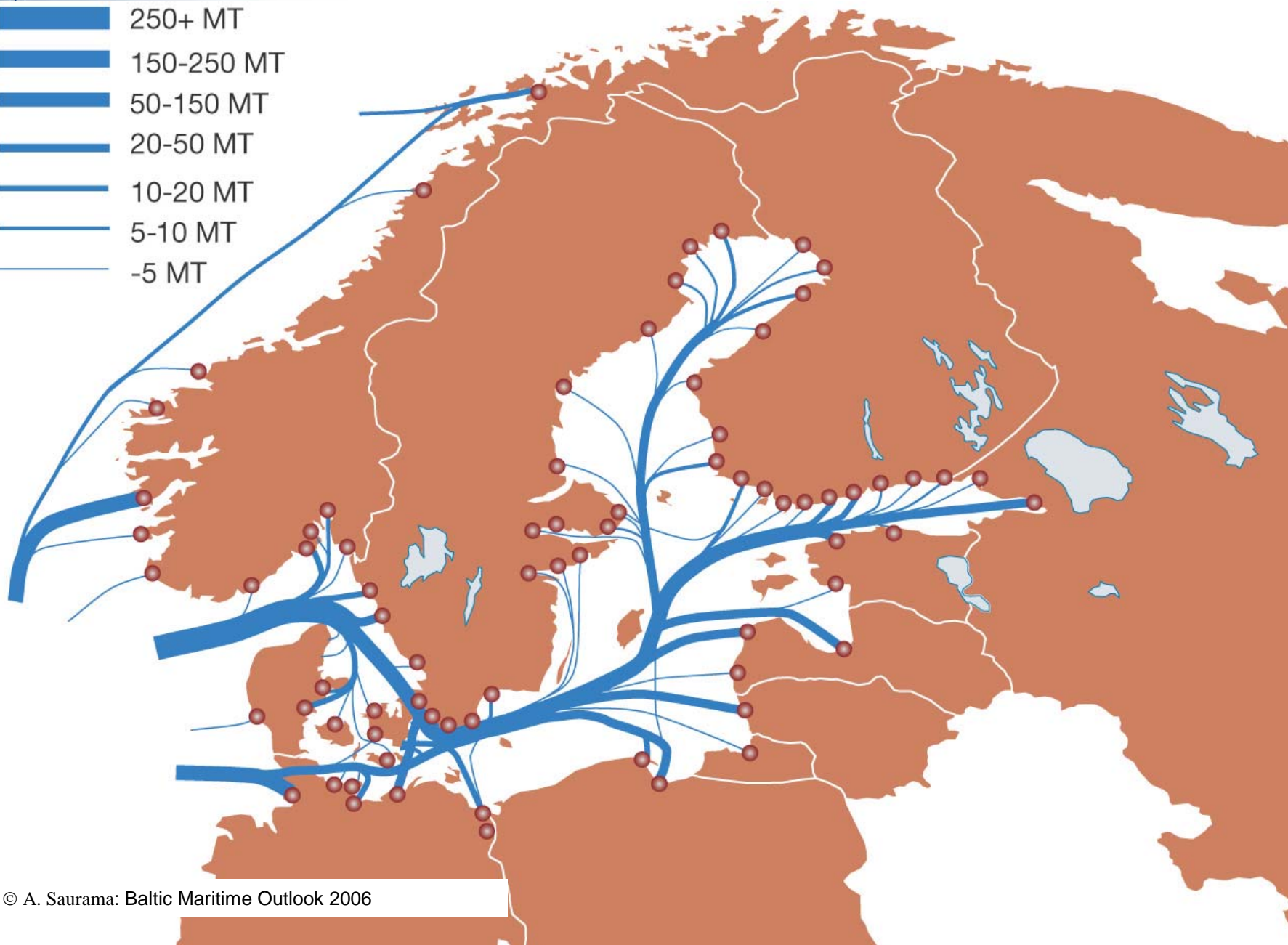
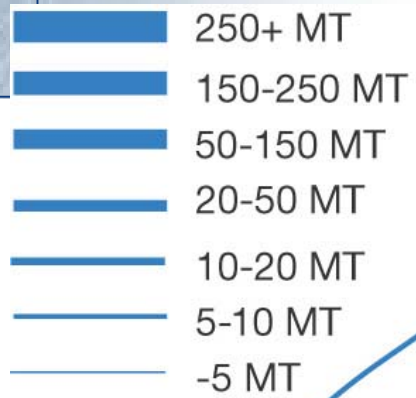
TRADE Imports of BSR countries 2003 (in tons)



TRADE Intra-BSR trade 2003 in tons (excluding oil)

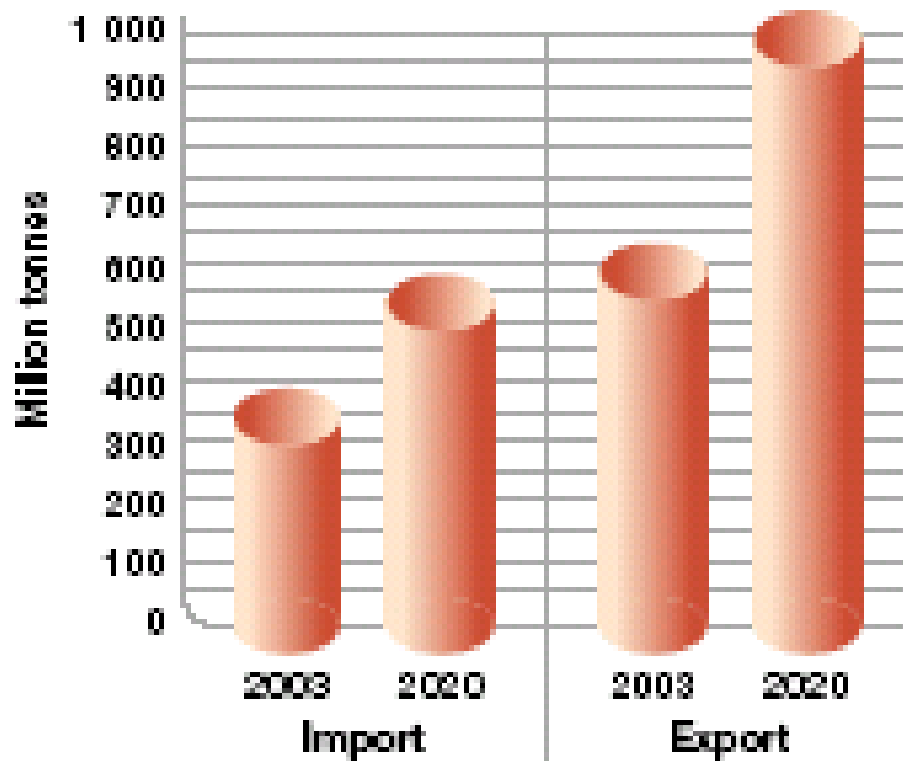


MARITIME TRANSPORTS 2003

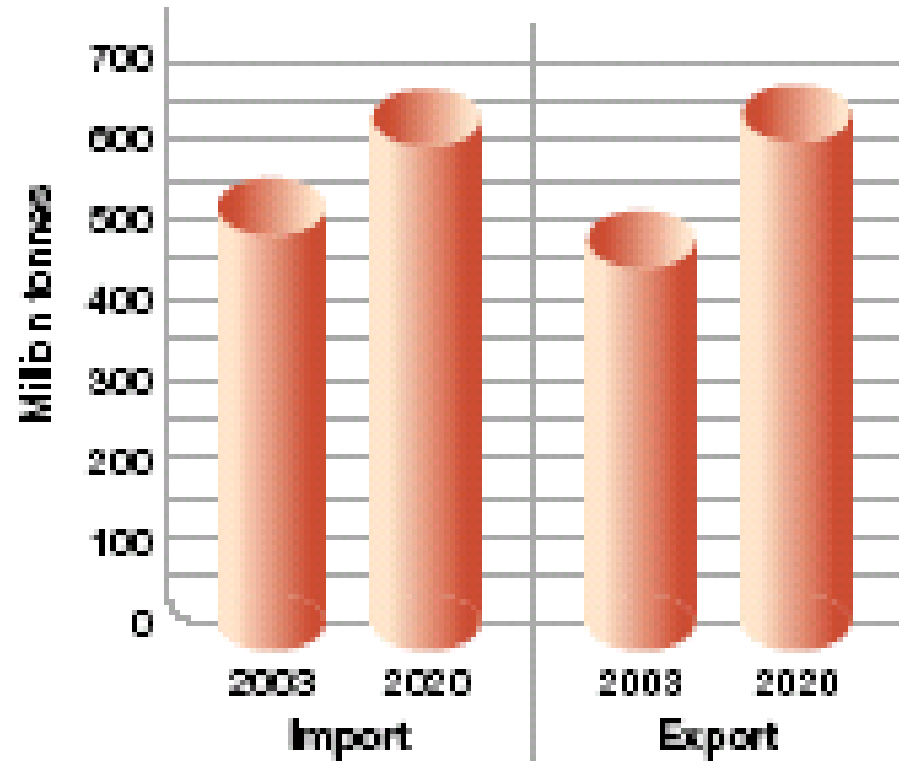


Transport development estimations 2003-2020 in the BSR

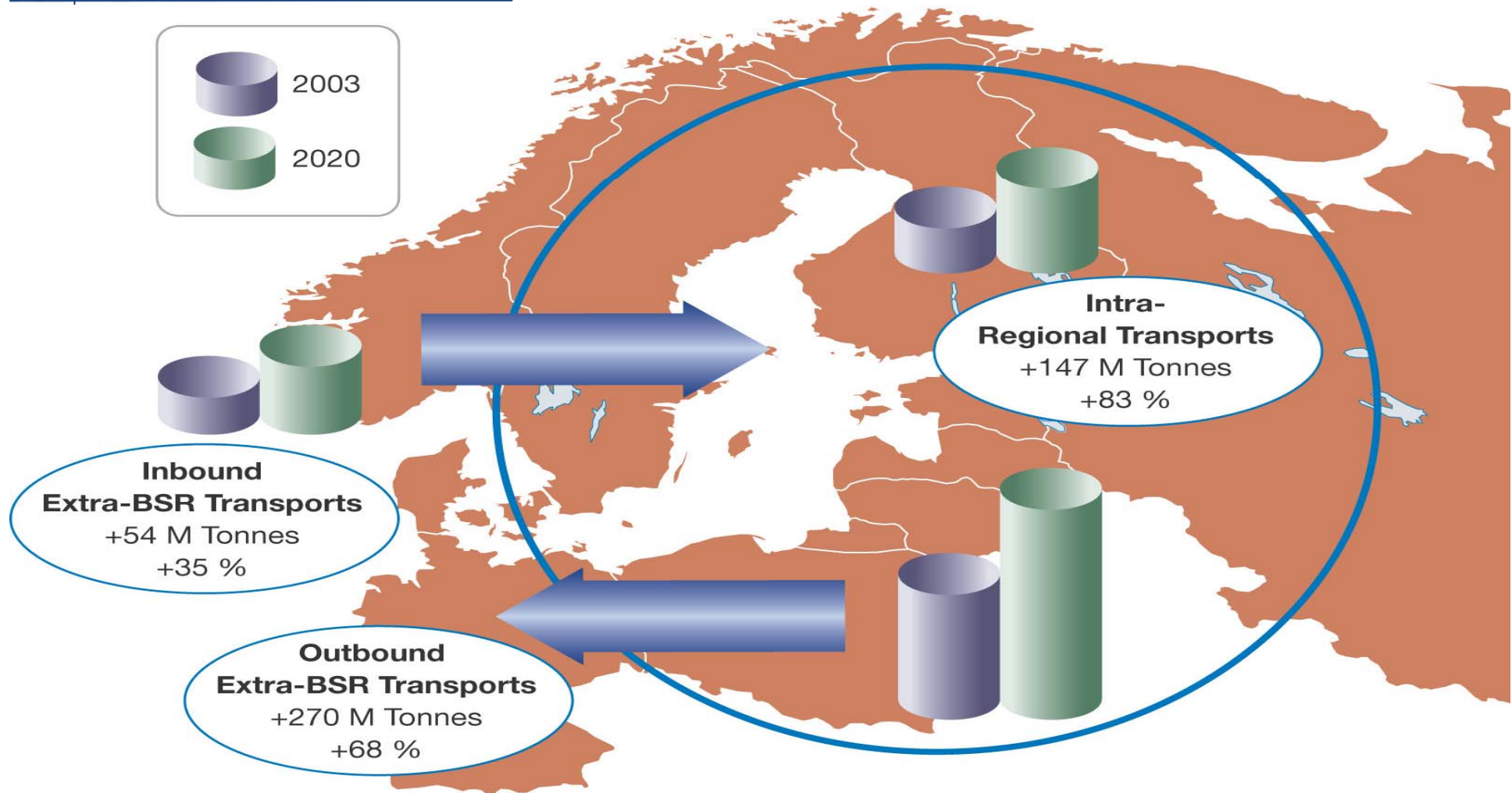
Sea +43 %



Road/Rail +73 %



Maritime transport estimations 2003-2020



FUTURE ESTIMATIONS AND INTERPRETATIONS IN BSR

- Measured in tons, oil, manufactured goods (incl. paper), building materials and chemicals will be most traded commodities in the BSR
- Significant relative trade growth in high-value and/or time-sensitive goods
- East-west transport volumes grow faster than north-south
- Modal shift from land to sea
- Tendency to sea is more evident in BSR than in Europe average
- Relatively more transports between BSR countries than extra-BSR transports
- Growth in BSR transports compared to Europe is partly result of
 - stronger economic growth (a lot of uncertain aspects!)
 - the role of bulk commodities in trade
 - sea as a natural barrier



Contents

Presentation

Finland's foreign trade

Traffic growth in the Baltic Sea Region

Economic impact of transit traffic

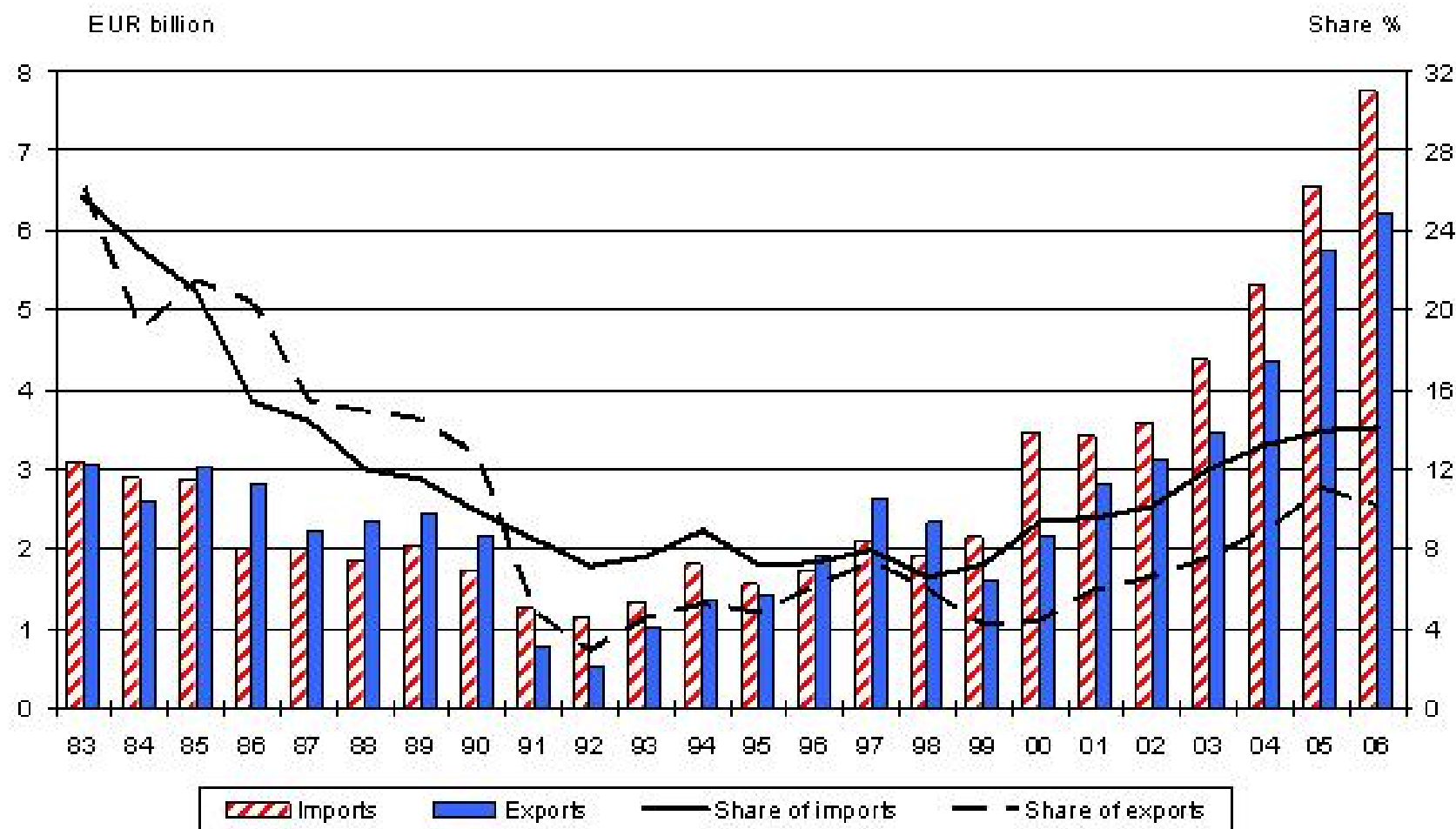
Economic impact of sea transportation and
ports



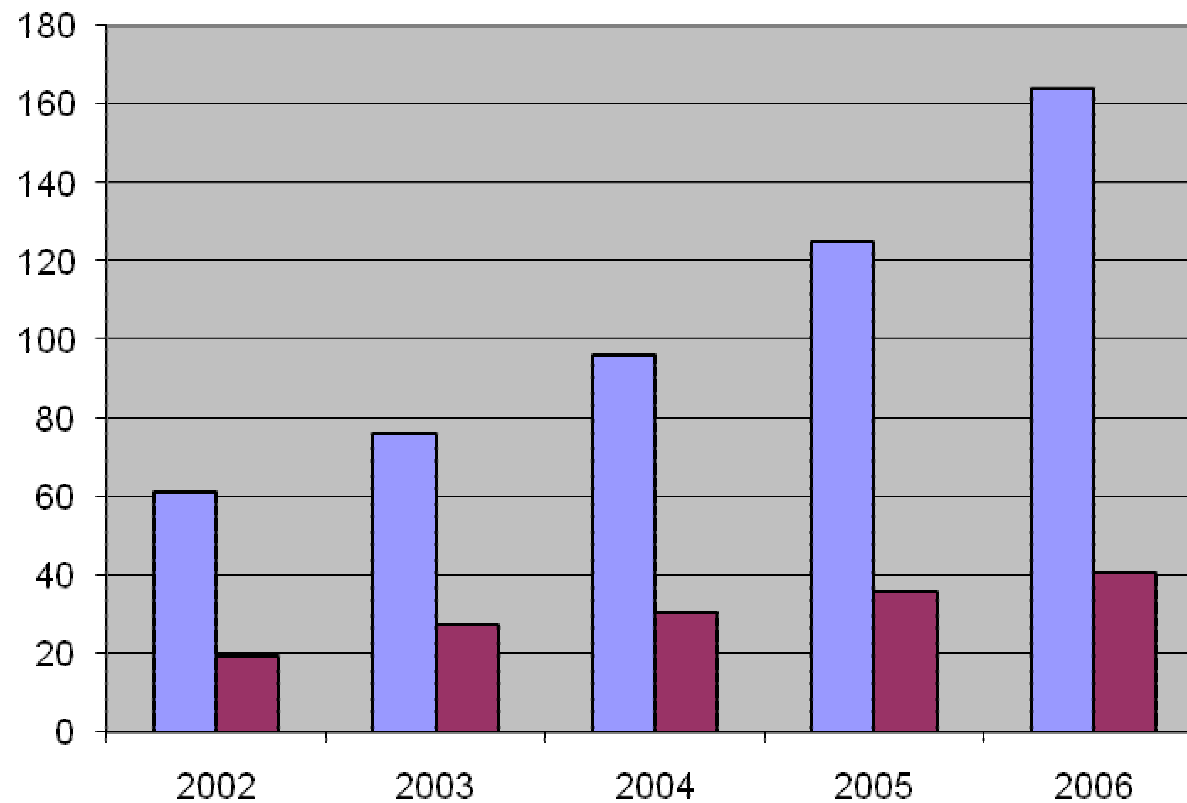


TULLI
TULL • CUSTOMS

Trade between Finland and Soviet Union in 1983-90 and between Finland and Russia in 1991-2006



Russian Import / Finnish export & transit (mrd USD)

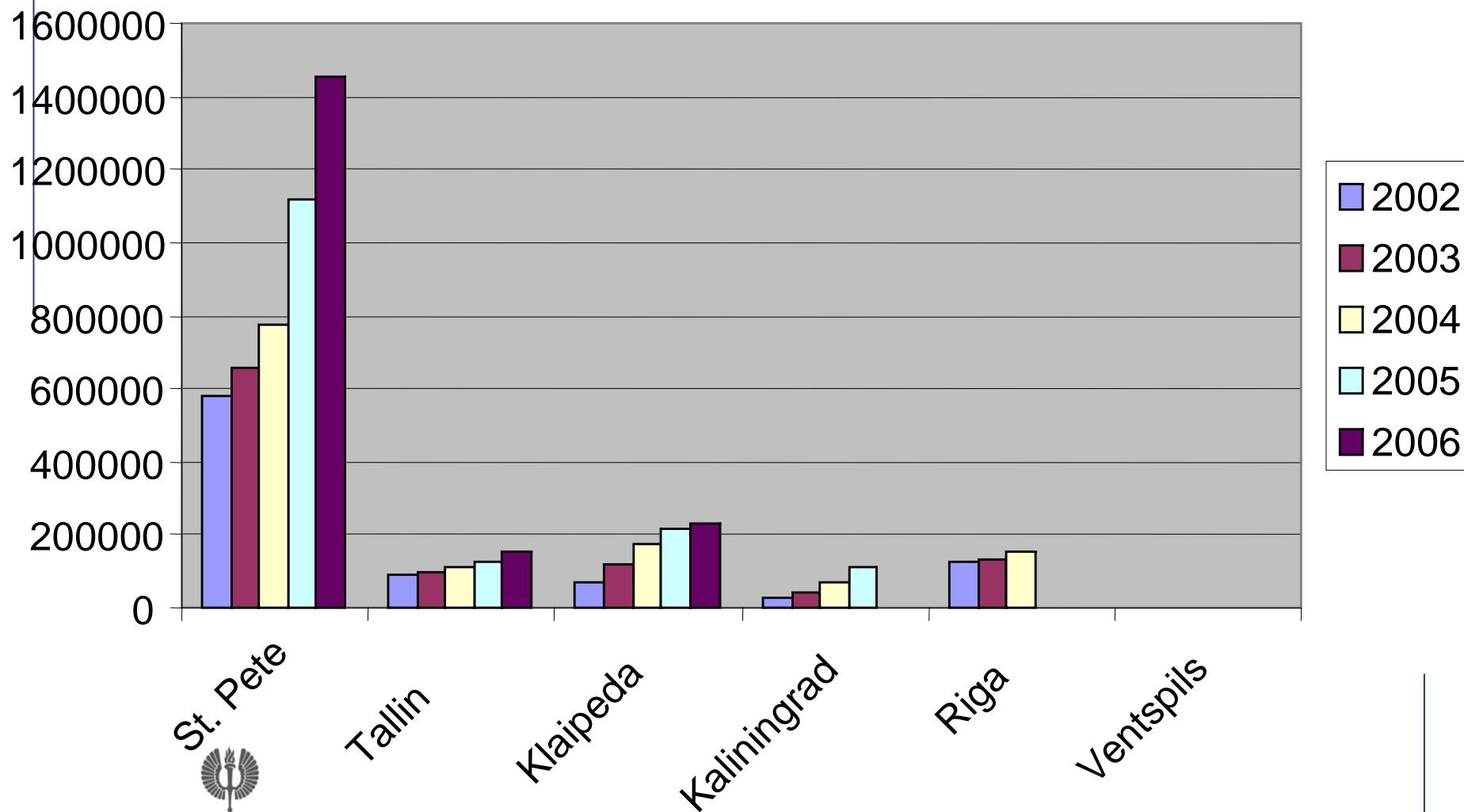




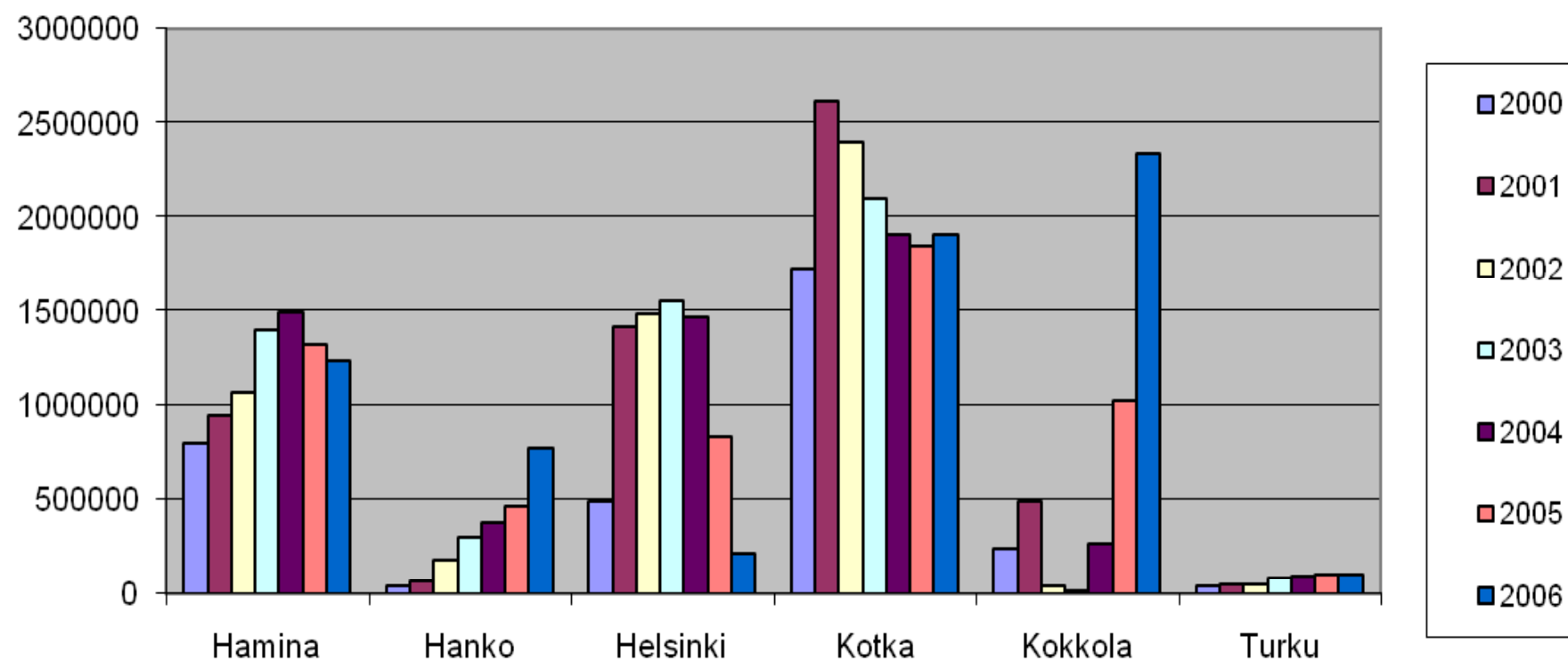
ГРУЗОПОТОК ПО НАПРАВЛЕНИЯМ



Containers in Baltic and St. Petersburg (TEU)



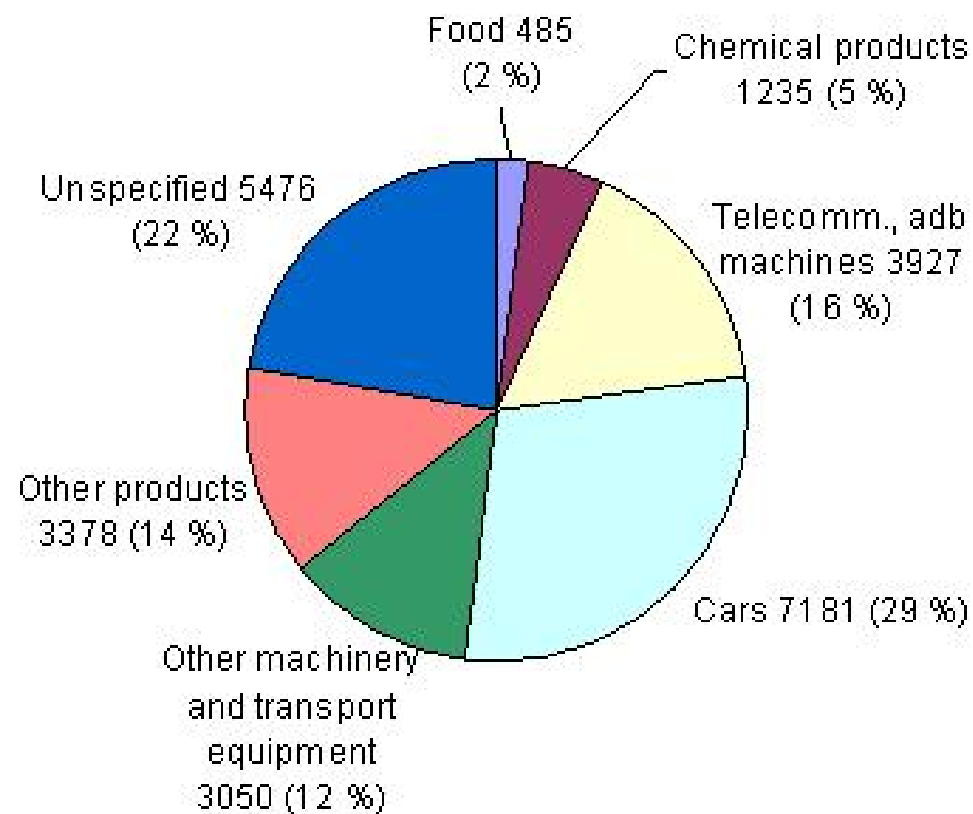
Finnish transit ports (tons)





TULLI
TULLI·CUSTOMS

ROAD TRANSIT; EXPORTS TO THE EAST BY PRODUCTS IN 2006 (EUR million)

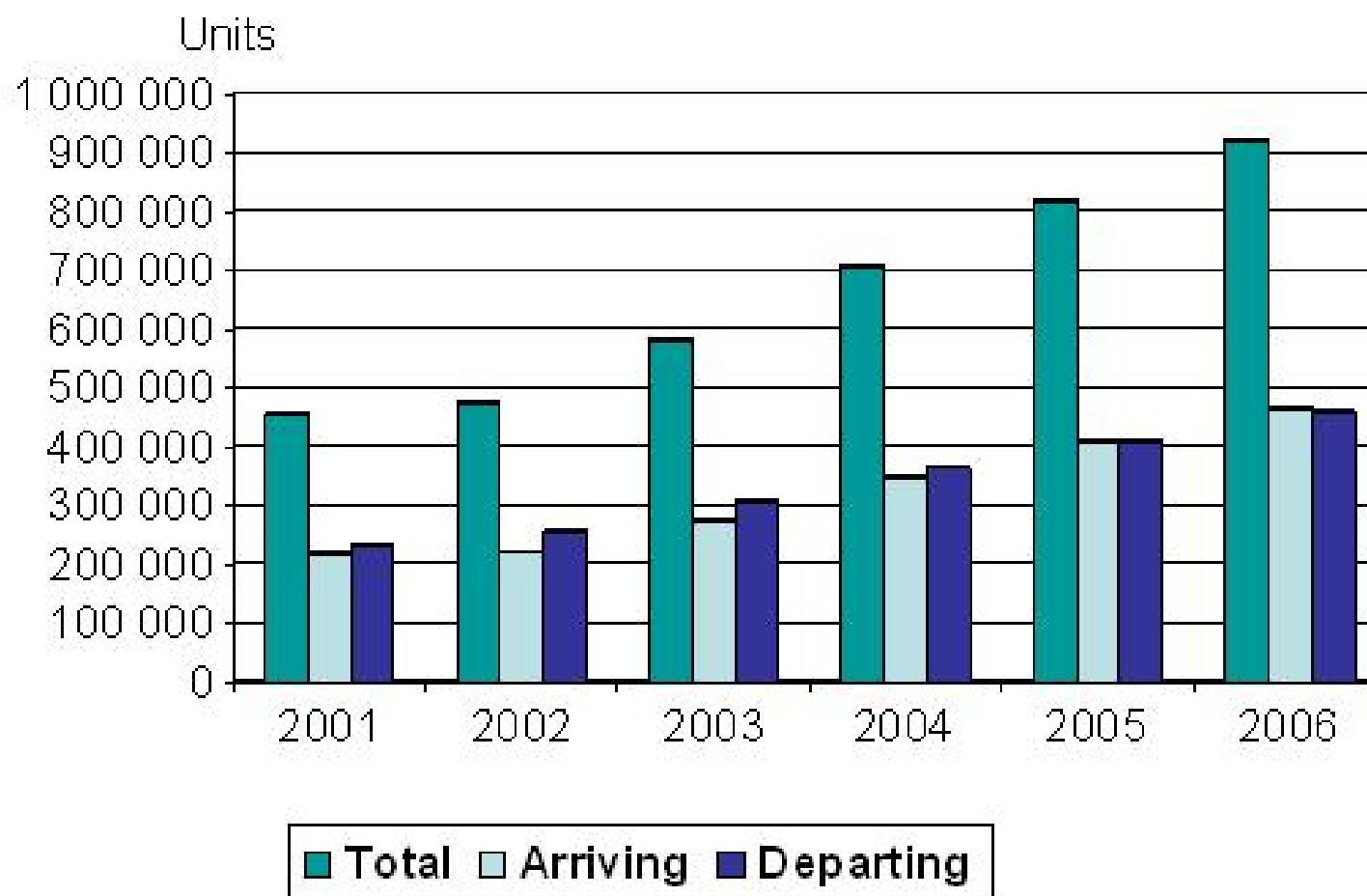




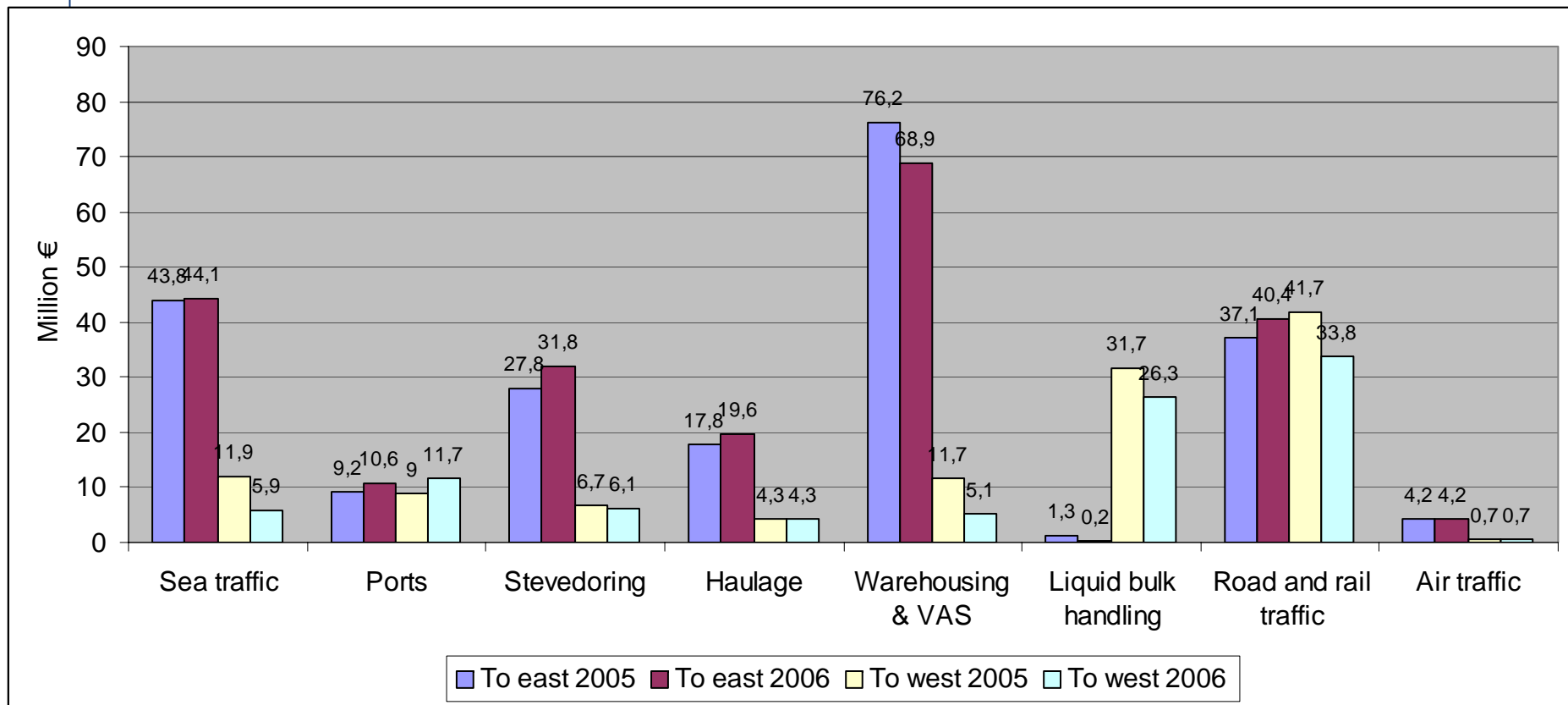
TULLI
TULLI·CUSTOMS

TRUCK TRAFFIC OVER THE BORDER BETWEEN FINLAND AND RUSSIA

Arriving and departing trucks



Income of transit traffic



Contents

Presentation

Finland's foreign trade

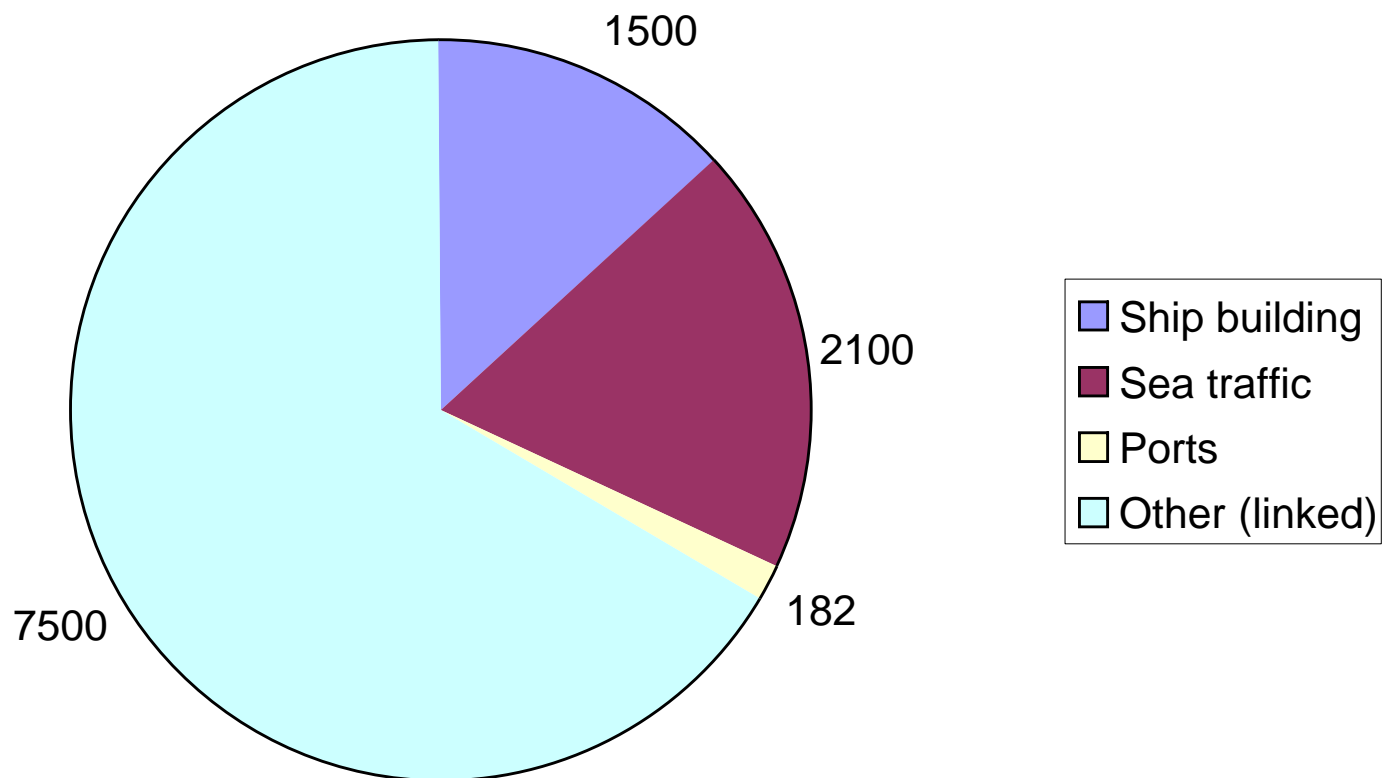
Traffic growth in the Baltic Sea Region

Economic impact of transit traffic

Economic impact of sea transportation and
ports



Finland sea cluster 2001 (million €)



Kotka and Hamina ports



- Study made 2006 (based on 2005 figures)
- Port traffic involve 180 companies
- They have 250 subcontractors
- $\frac{3}{4}$ is located in Hamina or Kotka

Economic impact of ports



Impact	Hamina	Kotka	Total
Income	881 m€	1 013 m€	1 894 m€
Work places	2 239	3 597	5 818
Salaries	47,8 m€	77,5 m€	125,3 m€
Communal tax of workers	11 m€	17,5 m€	28,5 m€
Communal tax of companies	3,2 m€	3,1 m€	6,3 m€

Impact on Kotka and Hamina communities



- $\frac{1}{5}$ of workplaces is linked with the port
- Hamina communal income from workers 11 m€ (21,3 %)
- Kotka communal income from workers 17,5 m€ (12,8 %)
- Hamina and Kotka corporate tax 6,2 m€ (Hamina 3,2 m€ ja Kotka 3,1 m€)