



# Baltic Link

Final Report

**SEBTrans-Link**

November 2005



A Project partially financed through INTERREG IIIB and Phare



## PREFACE

Four years ago the results from the SEBTrans (South East Baltic Transport) interregional development project were presented. The SEBTrans project has identified a number of challenges for the future economic prosperity, social cohesion and environmental sustainability of communities and regions within the SEBTrans area of influence. These challenges are for example:

- Support spatial cohesion
- Close service gaps hindering trade and travel
- Support innovation and renewal in firms, administrations and institutions to meet future changes
- Protect the natural and urban environment while carefully exploiting the potential for tourism
- Develop institutions for cross border co-operation and work within co-operative projects for fast and efficient results



*Two main corridors, identified in the SEBTrans project – one north-southerly and on east-westerly.*

It was concluded that the transport infrastructure in the SEBTrans corridors needed improvement and that planning for this had to commence without delay. The construction of motorway A1 in Poland (Gdynia-Lódz) and improvements along the corridor Gothenburg-Borås-Växjö-Karlskrona were identified as particularly urgent. The expansion of a first stage on the A1 road has now been launched from Gdansk, Gdynia, Sopot and south.

The collaboration continued between partners from Sweden, Poland, Lithuania and Kaliningrad, who wanted to expedite investments in the infrastructure along the corridor Gothenburg-Borås-Växjö-Karlskrona/Kalmar - Gdynia-Lódz/ Kaliningrad-Kaunas-Minsk since transport volumes continued to increase. Co-financing of a new project – SEBTrans Link was approved by the EU programmes Interreg IIIB and Phare. The project was thus approved in May 2002 and work was commenced in August the same year. As was the case with the first SEBTrans project, the Municipality of Växjö was again appointed Lead Partner and host organisation to the project secretariat. Each work package has been managed by a work group consisting of members from participating organisations in Sweden, Poland, Russia and Lithuania. Results and conclusions from the work has been jointly presented and discussed. Cooperation has also been conducted with other Interreg projects such as Baltic Gateway, Seagull/DEVERB and South Baltic Arc. Final conferences were arranged in October/November 2005 in Gdynia and Stockholm. A final conference for the Lithuanian part of the project was held in Klaipeda in July 2004.

Several external and internal information and experience exchange meetings have been arranged within the framework of the project.

The purpose of these meetings has been to coordinate the work performed within the SEBTrans-Link project, but also to coordinate the work with other initiatives and activities around the Baltic Sea. The seminars have also included politicians, media and other key actors. This has brought increased attention to, and from, the society at large and has assured the project a role among the other actors in the area.

The transnational partnership in SEBTrans-Link has together delivered a joint statement to the Swedish, Polish and Lithuanian governments regarding an update of the TEN/TINA system.

In order to facilitate such an update, the Swedish partnership jointly initiated a dialogue with the Swedish National Road Administration concerning certain projects during the spring of 2003. The partnership had agreed to a strategy to coordinate the road numbers in the Swedish part of the corridor, from Gothenburg in the northwest to Karlskrona in the southeast. The concept, Baltic Link, has led to a unified road number on the entire stretch, which is now 27.

The project was also represented at a seminar in Stockholm, in October 2003 that aimed at experience exchange between various Interreg projects in the Baltic Sea Region, the North Sea Region and the Northern Periphery. In addition, the project was represented at the Transport Forum in Linköping where approximately 1700 guests from the transport- and infrastructure industry participated. The project has received much attention in the press and media – and was covered in the Parliament Magazine (issue 204) that is distributed to politicians and officers in the EU administration. At the initiative of the Polish Ministry of Transport, the project has also been presented at the Steering Group meeting of the VI<sup>th</sup> PanEuropean Transport Corridor in Ostrava in the Czech Republic.

A platform and coordinated strategy for continued cooperation after the project's conclusion in November 2005 has been produced at the initiative of the political Steering Group of the Interreg project's Swedish part. The "Baltic Link Association" is based on the idea of a firmer political collaboration, and continued lobby activities in support of the north southerly transport corridor "Baltic Link". A first constituting meeting was held in conjunction with the SEB-Trans-Link final conference in Stockholm in November 2005. This idea of continued cooperation within the framework of a future transnational Baltic Link Association was also launched at the final conference of the Polish SEBTrans-Link project in Gdynia. There is already a cooperative agreement and organisation for this part of the corridor consisting of Gdynia, Gdansk, Torun, Łódz, Czstochowa, Gliwice and Katowice, which have established the Amber Road Cities Association (ARCA) with the purpose of accelerating the implementation of further investments in road A1.

The project collaboration has thus presented opportunities for the establishment of new and valuable transnational contacts between countries, sectors and administrative levels, which have excellent opportunities to last and strengthen in the years to come. This success had not been possible without the dedicated and qualified work by all involved, to all of which I direct my sincere appreciation.

Per Olof Ljöfberg  
Project Manager, SEBTrans Link

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## CONCLUSIONS IN SUMMARY

The global economy and trade has grown dramatically in recent years. The economic development in the new EU member states and Russia is also fast. In the coming years, the Central European countries will also see a tremendous economic growth. The EU and Russia are negotiating around possibilities and conditions to develop its collaboration to facilitate trade, travel and investments. At the same time, traffic is increasing in the South East Baltic Sea.

The EU has prioritized growth and identified a common transport policy, which recommend sustainable growth and increased use of alternative means of transportation than road transport. It is important to increase the use of sea and rail transports and to use alternatives to the congested corridors through the northwestern parts of Germany. The ambition of a more balanced development, social cohesion and increased harmonization with regards to the new EU countries is emphasized. The transport corridors via the ports of the Baltic Sea and their hinterland connections play an important role. The Polish and Lithuanian transport systems are currently being upgraded, but investments on the Swedish side are lagging behind. The link connecting the Pan European transport system to the port of Gothenburg and Norway is missing.

According to the results of this project, the Baltic Link could represent an important link in this new transport infrastructure. Local Polish actors have developed cooperation between the city and port of Gdynia, and with the network of cities that seek a upgrading of the A1 motorway through Poland. The Swedish partners have identified a corridor, given it an identity and decided to continue working for its recognition as a European-wide interest. Among other efforts, they have chosen to prioritize joint resource allocation and invest-

ments in the connections to the port of Karlskrona. They have also emphasized the value of consolidation in the corridor in order to generate the necessary basis of demand required to offer a more specialized and diversified range of services in air traffic, public transport and so that other qualified public services are enabled and strengthened.

The SEBTrans Link project indicates that:

- Continued organized transnational cooperation is necessary to achieve upgrading and utilization of the Baltic Link.
- The Baltic Link needs an identity that is publicly communicated. The Swedish part of the corridor needs TEN-T status.
- Investments in road, rail, port, air terminals and information systems should be prioritized to achieve sufficient accessibility, security and environmental sustainability.
- Passenger traffic is of particular importance. Measures to link various modes of transportation and simplify passengers' orientation are necessary to ease travel.
- The southeastern part of the Swedish corridor needs one common airport with good connections in the land infrastructure system.
- Continued efforts to develop intermodal and environmentally sustainable goods transports on rail and sea are necessary.
- Corridor planning is necessary to influence the localization of regionally important facilities, destination points and additional settlements in the cities along the corridor, thus promoting coordinated transport investments to facilitate travel and freight by train.

## PART 1 – DEVELOPMENT PERSPECTIVES

### Historic connections

The transportation corridor connecting the Atlantic and North Seas with the Black Sea via the South East Baltic has ancient traditions. Vikings, crusaders and Hanseatic traders have travelled along the corridor, fought and traded in the port cities of the South East Baltic. The corridor's northern part was a pilgrimage route, stretching from the valley of the Klarälv river, via Vänern sea, over the Västgöta plains, ending in the Nidaros dome in Norwegian Trondheim.

One can still trace stones marking the direction of the track in the landscape. From Västergötland a transport and trade route continued through Småland and Blekinge, via Poland and Lithuania, further south to today's Istanbul. In old times, walrus tusks are said to have been transported along the route from Lofoten in Norway to the Sultan in Constantinople. The Swedish cities of Borås, Värnamo and Växjö, just as many port cities at the mouths of rivers and streams all along the South East Baltic's shorelines, are ancient trading posts.

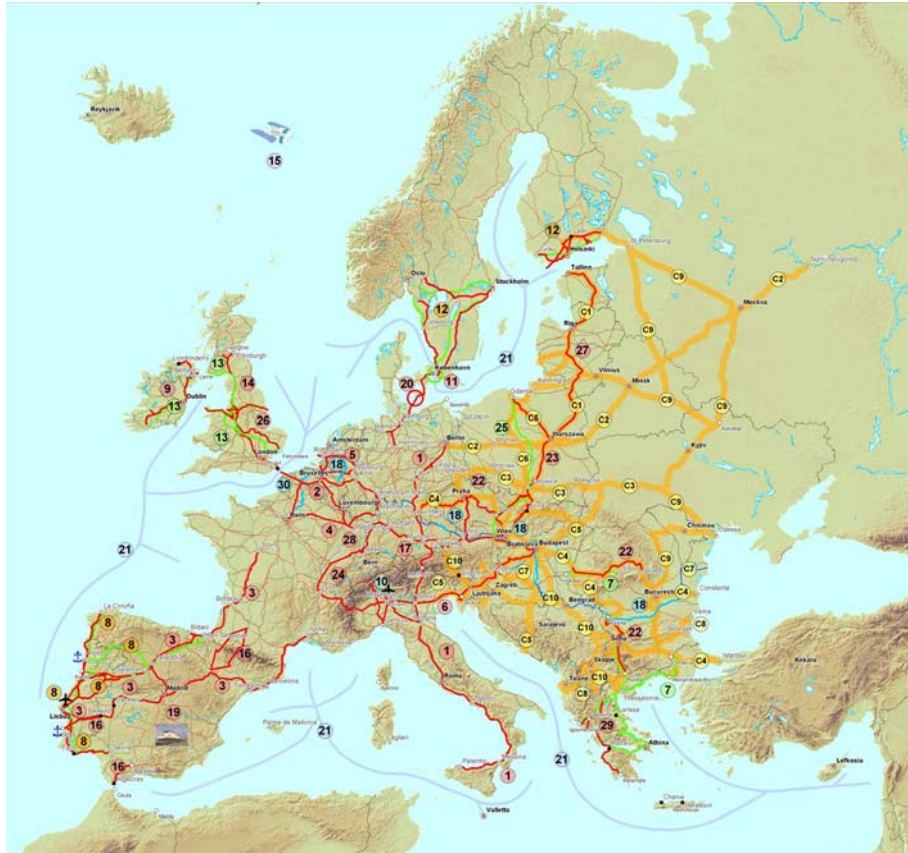
In the 14th century, Poland, Lithuania and Sweden were associated with each other through the Vasa and Jagellon families, in turn associated with the major European dynasties Sforza and Habsburg. The Kalmar Castle marked the Swedish outpost toward the neighbouring countries. Sigismund Vasa is a significant historical person in all countries around the Baltic Sea and many places bear marks of the large European wars. The city and castle of Karlskrona was constructed as was the fort of Pillau in Baltijsk. The transport route over the South East Baltic was important also for postal services. During the Industrialism the trade and contacts between Scandinavia

and the countries along the South East Baltic shoreline were strengthened. Many contacts between Poland and America were routed via Gothenburg. The Sweden-America Line, Gdynia-America Shipping Company (GAL) and other shipping operations freighted cotton from the Mexican Gulf to Poland and emigrants to America. In Sweden, the Coast-to-Coast line was constructed and in Poland railways were built from Gdynia and south. In Gdynia a new America-terminal was constructed and inaugurated in 1933. One year later, scheduled ferry traffic was commenced between Gdynia and Karlskrona.



*The America Terminal in Gdynia at the time before World War II. The terminal carries a significant cultural and historical symbolic value for the city and the port.*





*Map of PETN, consultation proposal DG TREN, spring 2005*

In a Europe divided by the iron curtain, the VI<sup>th</sup> corridor between Gdynia by the Baltic Sea and Odessa by the Black Sea an important role. The IX<sup>th</sup> corridor's mid-section still today connects Turkey, Belarus and Ukraine with the Baltic Sea ports in Kaliningrad and Klaipeda. Today, there is an express container freight train, "The Viking", that connects Odessa (Ilyichevsk) with Klaipeda in 48 hours. Increasingly efficient routines also facilitate border crossings.

The European Transportation Net (TEN-T) has now been expanded to include the new member countries. A proposed Pan European Transportation Net (PETN) is currently being defined. At the southern Baltic Sea shoreline, several larger ports and landside connections are proposed to be added to the system. On the Swedish side however, neither road 27, nor the Coast-to-Coast line is included in the system.

## Globalization affects the Baltic Sea Region

### The Baltic Sea Region is an important growth area

In preparation for the EU enlargement, an evaluation of achieved results and current development tendencies in relation to the goals of sustainable growth emphasized in the Lissabon agenda was done. This showed that the development had not been as fast as expected in various sectors. The third cohesion report also showed that differences in living standards between different parts of the EU's territory would increase when the Union was enlarged.

In the Baltic Development Forum's latest report<sup>1</sup> about the conditions in the Baltic Sea Region, it is concluded that the economic growth in the region surpasses both the Central European countries and the EU 25 average. The Baltic Sea Region meets the Lissabon agenda's goals in terms of employment, environment and innovative ability. The Baltic Sea Region's growth however, is lower than leading Asian and North American economies' and there are signs of weakening while for example 'Central European economies continue to grow. A continued strong growth in the Baltic Sea Region requires ambitious measures.

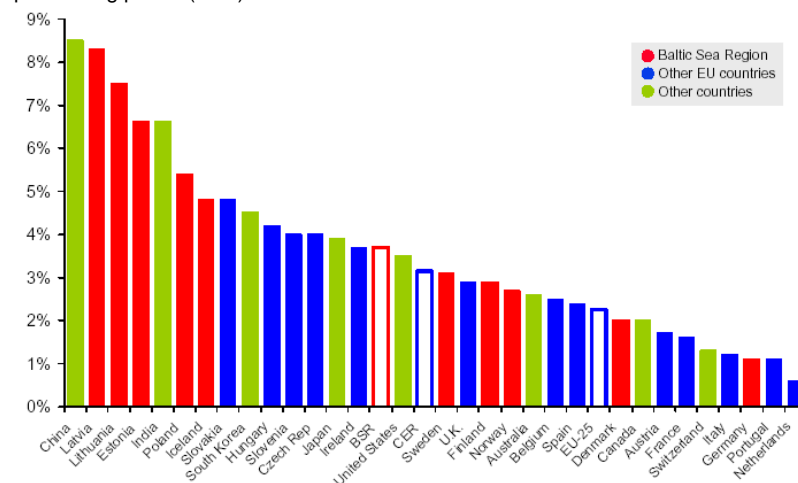
The same analysis points out strategic development areas in the Baltic Sea Region and targets strong industries (clusters) in the realm of research and knowledge intense parts of the economy as well as entrepreneurship. Russia's important role and development potential as a partner in the Baltic Sea Region is also emphasized. The Baltic Sea Region needs to be more visible in order to increase its importance. The current activities to achieve this are not sufficient. They need to

<sup>1</sup> The State of the Region Report 2005, Competitiveness and cooperation in the Baltic Sea Region Dr. Christian Ketels\* and Professor Örjan Sölvell\*\* with Contributions from Dr. Sylvia Schwaag-Serger and Emily Wise Hansson

be communicated and contextualized. Information regarding the region's efforts to cooperate across borders needs to reach a wider audience. The regions must voice common standpoints and make joint statements on issues of EU wide relevance.

The regions also need to cooperate to attract foreign investments. The study further establishes that the Baltic Sea Region has the potential to be an international example of competitiveness and innovation in a region consisting of heterogeneous border areas. Countries and governments in the Baltic Sea Region should support and initiate activities that drive this development. Cooperation in the Baltic Sea Region can contribute to increasing the effect of these initiatives and generate results that may not have been possible without it.

Adjusted for differences in purchasing power (PPP)



Note: China, India data for 2003-2002  
Source: Groningen Growth and Development Centre and The Conference Board (2005), authors' calculations  
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### Real BNP-growth per capita, 2003-2004. Selected countries

Source: The State of the Region Report 2005, Competitiveness and cooperation in the Baltic Sea Region Dr. Christian Ketels

## New possibilities in an increasingly globalized world

It is not only Europe that is changing. Many parts of the world are experiencing a rapid development. Especially in India, South East Asia and China the pace of social and economic development is very high. This is also noticed in the SEBTrans-Link corridor. Companies are facing tougher competition, but also see new potentials to develop both operations and products on new markets.

Most companies in the corridor are dependent on well-functioning contacts with clients, producers, local representatives and subcontractors in various parts of the world. Companies in manufacturing industries are now developing new logistical structures for intercontinental transports via ports in the South East Baltic as gateways to the east and via Gothenburg as a gateway to the west. Transoceanic connections via Gothenburg are demanded by the business community in the Scandinavian countries as an alternative to the intensely trafficked ports in Hamburg, Bremerhaven and Rotterdam.

The Transsiberian railroad has become an important transportation route to and from the inner parts of Russia and China for several multinational corporations, including major Swedish companies such as Ikea and Volvo. The VI<sup>th</sup> and IX<sup>th</sup> corridors give access to Belarus, Ukraine, the Black Sea region and Asia. Traditional transportation corridors via Central Europe and the Balkans have been resurrected.

Russia intends to support a continued development and strengthened role of Kaliningrad in the Baltic Sea area in the coming years. Transit traffic to and from Kaliningrad, via Lithuania has functioned well. The ports in Klaipeda and Kaliningrad have a mutual agreement of cooperation. In Klaipeda, business relations are developed with Belarus, Ukraine and countries even further south, including Iran.



*The port of Kaliningrad has long been an important Russian naval base. Today, ferry and container traffic is increasing. Kaliningrad's importance as a gateway to Russian and Asian markets is expected to increase.*

Source: Igor Krasnjansky, State and prospect of development of the transport infrastructure in Kaliningrad region, Presentation at the Baltic Gateway conference in Malmö, April 2004.

The Baltic Sea Region plays an integral role both in the EU and globally. In the South East Baltic Sea Region many countries with diverging economic realities share borders. This provides an excellent socio-economic geography for the development of profitable synergies, stimulation of innovation, entrepreneurship and increased trade. The global development perspectives are important for both the EU and Russia as they now negotiate a new neighbourhood treaty that is to take effect after 2007. The Baltic Sea Region is dependent upon strategic and goal-oriented measures to assure continued growth.

## The Baltic Link interconnects the Baltic Sea Region and complements TEN

A direct corridor for sustainable long-distance transports

The EU enlargement towards Eastern Europe has meant that contacts between neighbouring countries on both sides of the Baltic Sea have intensified. New networks are developing and new opportunities for trade and cultural exchange have emerged. This has, among other things, led to an increased demand for transports, in turn placing new demands on infrastructure and transport solutions. A well functioning transport system facilitates trade and cooperation between actors on both sides of the Baltic Sea.

The Baltic Link that passes southeastern Swedish ports offers direct connections for long-haul transports in several dimensions. With continued economic growth and integration in the EU 25, combined with improved roads and railroads in Poland and Lithuania, the corridors will be increasingly utilized. The total truck traffic between Sweden and Poland has doubled between 1999 and 2004, from 100 000 to 195 000. The annual growth is approximately 20%. In the SEBTrans project, trade and travel patterns and freight volumes were surveyed. Forecasts for freight volumes were also made. The project estimated a doubling of freight volumes from 1997 to 2020 in the Baltic Sea Region. This doubling was reached already after six years between Sweden and Poland.

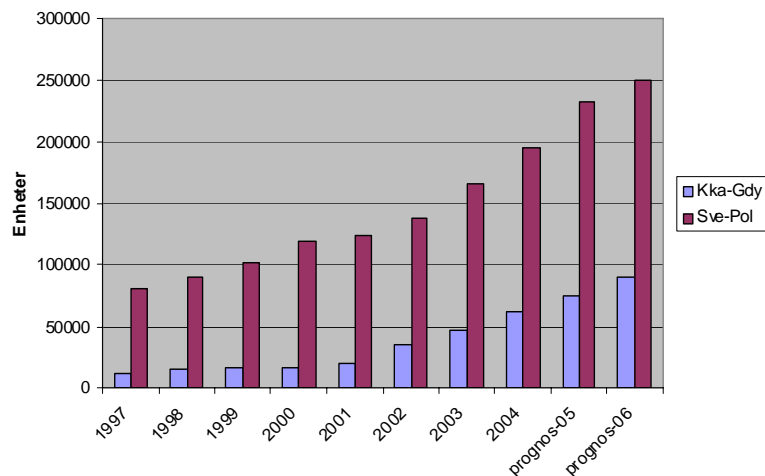


*TEN-T prioritized projects according to revised decision in spring 2005.*



## Alternatives to congested routes in northeastern Europe

Ongoing and planned investments in the eastern European transport system bring significant change to the European map of transport routes. Newly improved roads and port facilities in eastern and central Europe will act as alternatives to the established and congested corridors through northwestern Europe. Germany is an important transit-country for both passenger and goods – but the traffic flows are large and traffic jams in the German motorway system are more rule than exception. The system can no longer handle the heavy truck traffic in certain parts. At the same time, east-westerly traffic flows are steadily increasing via Warszawa and Berlin. The Baltic-Link is a competitive alternative for transports between Scandinavia, via the ports in southeastern Sweden, and eastern and central Europe and onwards to the Balkans, Mediterranean, the Black Sea coast and Asia, via Gdynia and Klaipeda. The corridor is also important for transports to and from Russia.



Truck traffic between Sweden and Poland and Karlskrona and Gdynia 1997 – 2004 and prognosis for 2005-2006

Source: The port of Karlskrona



Future transport flows in the road net year 2020, prognosis

Source: ESPON

## All of Baltic Link into PETN

EU has identified roads, railroads, airports and ports of importance for the development of the union. The goal is for the union to be geographically cohesive and that intermodality should be promoted within the enlarged union. Congestion is to be prevented on the major routes. Due to their size, importance for trade and/or their environmental impact – approximately 30 projects have received particular priority. In addition, there is an agreed timetable according to which these investments will be made.



*Prioritized objects in TEN-T. The green lines are prioritized roads and the red lines are prioritized railways.*

The motorway project A1 Gdansk—Katowice are among these prioritized TEN-T projects. The work has started on the northern part of the A1 in Poland, and is expected to be done in 2008. The completion of the A1 upgrade is expected to be done in 2010. Several roads and railways in Sweden are included in the Nordic Triangle of TEN-T. These investments too, are scheduled for completion in 2010. The ports in Karlskrona, Karlshamn Gdynia, Gdansk and Klaipeda are included in TEN-T, but the roads and railroads connecting Karlskrona to Gothenburg are not.

As one contribution to the EU's ambition to develop alternatives to road transport and congested routes, and to prepare the entire Baltic Link for an upgrading to PETN status, the SEBTrans-Link project has produced detailed analyses and investment plans for 12 objects within the Swedish part of the corridor. A pilot investment for intermodal transports has been made in the port of Karlskrona. Detailed plans have been produced for investing in a new ferry terminal in Gdynia.

The entire Baltic Link should be identified as a part of the Pan European transport net servicing the EU and its neighbouring countries. This would strengthen the possibility to prioritize investments in the South Eastern Baltic's principal transportation net.



## Increased potential for sustainable growth

The studies further show that infrastructure investments leading to increased capacity, improved standard and a developed supply of services for travel, freight and information in the Baltic Link corridor also provides increased potential to stimulate the regional development in a sustainable way.

Improved *travel conditions* strengthen the business community's competitiveness and ability for renewal. Easier commuting over long distances benefits companies' recruiting and efforts to retain competent personnel as well as contacts with universities and other companies. Improved travel conditions also strengthen tourism and visitor's business that in turn contributes to increased attractiveness and quality of life within the corridor's area of influence.

Already established *goods transport connections* between Kaliningrad, Belarus, Russia and Asia via the Transsiberian railroad are being developed. Freight trains are also running between Budapest in Hungary and Krakow in Poland. The goal is to enable further connections north to Gdynia. Modern logistics and new information systems, facilitating inter modal transports, are being introduced. Investments in better port connections are under preparation as are smoother border crossings. This corresponds with the EU transport policy, which prioritizes the development of alternatives to road transports and other measures to decrease the pressure on the existing transport system.

In the Swedish part of the corridor, the conditions for developing efficient and sustainable systems for railway transports of small unit goods, which requires a high level of customer service and flexibility, have been studied.

A feasibility study has been started with the goal of establishing functioning intermodal goods traffic. The work group consists of representatives from the port of Karlskrona, the municipalities of Växjö and Alvesta, the port of Gothenburg and the national Swedish Rail Administration as well as representatives from Stena Line and Green Cargo. The goal is to identify a commercially sound way to handle small unit goods from the ports of Karlskrona and Gothenburg for further transport on the Coast-to-Coast line.

The studies have showed that the Baltic Link could be developed as an artery for:

- Efficient and structured public transport systems within enlarged local labour market areas. This contributes to the economic robustness needed in times of fast structural change.
- Long-haul goods transport between Scandinavia and Central and Easter Europe as well as the Mediterranean, Black Sea area and Asia.
- More sustainable travels and goods transports through southern Sweden and the northern parts of the European continent.





The actors along the corridor should continue to collaborate around common structural planning in order to:

- steer future construction development to areas in the corridor that can be served by public transport and other support systems,
- facilitate the business community's continued development in places that are coordinated with the identified and suggested breakpoints for railway-based goods transports,
- support the development of tourism with a particular priority on improved systems for information,
- link the land transports on roads and rails in the corridor to airports and ports,
- systematically develop service structures in the corridor based on the main hubs' particularly high accessibility in the public transport system.

The continued corridor planning should be linked to the municipalities' and other actors' strategic planning. Integrating the decisions in the continued efforts to implement the infrastructure investments and other measures in Baltic Link could be one way to achieve this.

Continued development planning in the Baltic Link needs expanding to also provide a basis for decisions regarding localization of regionally important business operations and other major destinations as well as significant new settlements of structural importance.

## Coordinate the regional traffic planning

Geographical areas and labour markets that to a high degree rest on a homogenous business industry are sensitive to fluctuations in the branches that dominate the area. Improved links to neighbouring regions can diversify the business community and decrease this business cycle sensitivity. The areas can benefit from decreasing their internal distance by fast and smooth transport systems.

Relevant public transport principals should cooperate on the planning of infrastructure investments and traffic and a coordinated procurement of operations.

The work associated with developing an operational system for small unit goods transport in the corridor should be brought forward in a coordinated way. The already established "regional goods transport delegation" with representatives for most of the relevant actors in southern Sweden is an appropriate forum for continued discussion on concrete implementation. In addition, the ports experience a unique set of driving forces for the development of efficient and environmentally sustainable land transport solutions.

The long-term strategies and the concrete implementation of an integrated transport system in the Baltic Link's Swedish, Polish and Lithuanian parts, as well as for Kaliningrad, requires consolidation and formation to actual projects. Investments in roads and rails, combined with ports, airports and associated information systems and services needs to be prepared and secured. Strategies for actual implementation should be developed. A combination of public and private funding is a likely scenario – which requires resource allocation from both national and regional actors as well as from the EU. Some form of user-financed solutions, in the form of a toll system, may be needed in the long-term.

Increased coordination among various actors is also necessary in order to improve the environmental standards of transport. This may include the channelling of heavy transports to certain routes, noise reduction and security enhancing efforts, incentives for increased use of environmentally friendly vehicles and fuels and information that enables and facilitates efficient and safe utilization of the entire transport system.

Political cooperation between local and regional actors in the Baltic Link will become an important platform for continued development of infrastructure and transport services in the corridor.

### Stimulate growth and renewal in the business community

The performed studies suggest that contacts between people, companies and organizations in the regions linked together by the Baltic Link, are very limited today.

At the same time, the studies show that there is great potential to develop and strengthen collaboration should the conditions for travel and goods transportation improve. This can contribute to improved competitiveness, quality of life and the general attractiveness of all concerned regions.

Tourism contributes to employment and regional economic growth. It can also function as a catalyst for innovation and competence development, help bridge cultural barriers and enhance communication. Attractive visitor's regions are often attractive residential regions. As such, they are also attractive regions for the localization of businesses.

Tourism can also contribute to the provision in resource-weak areas and strengthen the protection of valuable natural and cultural assets.

Small-scale solutions contribute to the protection of an area's character and spread the positive side effects of tourism to more people. It increases the local population's chances of staying in the area and finding a source of income in both towns and on the countryside. In the South East Baltic Sea Region, there are still unique and unused natural and cultural assets that could be used for recreation and tourism. The revenue created by more visitors could be used for the further development and protection of these values. At the same time, tourism is global. Cooperation is required since the tourism sector and the tourism product per se is the combination of many small firms together creating an attractive service.

Better marketing and more visible exposure is required in order to make the South Eastern Baltic Sea Region a known tourist destination. The area needs to be developed into an attractive destination permeated with quality to which visitors are happy to return.



*Nature reserve in the Kaschubi area, Pommern*



*Street market in Klaipeda*

It is important to fully utilize the sense of belonging and the identity within this globally recognized growth area of the South East Baltic Sea Region. The areas shorelines contain unique and valuable natural and cultural milieus that attract visitors and which constitute an attractive environment for both people and businesses.

## Develop global and regional business relations

The business community in the Swedish part of the corridor is global – subcontractors and clients are increasingly found on an international scale. This makes the transport logistics even more important as a factor of competitiveness. But companies are not only dependent upon goods transports. The conditions for international travel in terms of personal contacts and relations are increasingly critical for corporate success. When opportunities for travel and goods transports are improved, so are personal contacts. More variation in the business community contributes to innovation and renewal through cross-fertilization and competition. Measures that enable and facilitate contact between actors in similar or complementary sectors support the growth-enhancing processes.

Local contacts between various actors, as well as long distance personal contacts in professional networks, are important factors, which develop innovation systems that increase competition. A closer cooperation between companies in neighbouring regions can be one way to achieve this.

Efforts and measures to increase the number of contacts between the business community, universities and the public sector can enhance competitiveness, quality of life and attractiveness in all regions. Tourism and trade can contribute to the needed focus on directions and themes for sustainable concepts.

The opportunities to develop collaboration between public and private actors, representatives from the business community, universities, research fields and cultural arena in Sweden, Poland and Lithuania should be developed.



## PART 2 – THE TRANSPORT SYSTEM’S ROLE

### Ports and ferry berths

#### New terminal in Gdynia

In the Polish project the work has focused on measures that increase accessibility for goods and passenger traffic in the port of Gdynia. The main purpose is to eliminate bottlenecks in the infrastructure in the Polish part of Baltic Link.

Scenarios for goods and passenger development show a continued strong growth. The goods volumes are estimated to increase three-fold between 2004 and 2025. The growth in passenger volumes is estimated to increase slightly slower – a doubling is expected by 2025.

Studies have been done to generate a basis for decisions regarding localization of a new ferry terminal. The need for road investments in order to better connect the port to road A1 and to Gdynia’s centre has also been analyzed. The work has been conducted in seven work groups with representatives from the business community, municipality, region, port authority, university and other involved actors. The project collaboration has led to new contacts between the city and the port. During the work, frequent contacts have also been taken with the Swedish part of the project. The exchange with projects in the port of Karlskrona has been of particular importance. Visits in Karlskrona and Gothenburg have enabled on-site study of alternative solutions for expanding with a new terminal. The new terminal is planned for the outer section of the port. The move from its current position will free space for an expansion of the container traffic. In addition, the ferry’s time at the dock can be significantly shortened.



*Overview of the port area in Gdynia*

Localization closer to the Gdynia centre is additionally beneficial for passenger and tourist traffic. The new terminals will have good accessibility for both passenger and goods traffic. Investments have started in order to better connect the port to the ring road around the three cities Gdansk – Gdynia – Sopot. When the expansion is finished, it will eliminate the principal bottle neck between the existing terminal and the motor way A1.



*Photo montage of the planned terminal expansion and road connections to the port in Gdynia. The railroad is already of a sufficient standard to handle goods traffic.*

Gdynia's historic port terminal is declared a historical monument. It was built in the years between the World Wars when Gdynia was the only Polish port on the Baltic Sea. The terminal symbolizes Poland during this time. Thousands of Poles that emigrated to the United States remember this terminal as the last sight of their homeland.

Today, the building is in dire straits and in need of repair and a new use. The renovation is expected to bring renewal to the surrounding port area. Additionally, the investment can act as a catalyst for further city development and renewal.



*The America terminal in the port of Gdynia*

The work group recommends that the building is used as a service center for cruise tourists in the summer and as a conference center in the off-season. The city is suggested as responsible for the renovation in collaboration with the port authority.





The work group recommends that:

- The construction of the new terminal is divided into two phases.
- Two ferry berths are constructed between 2009-2011 and one additional after 2013.
- Investments in connection roads could start during 2007.
- The period after 2013 contains investments in new local port connections and road overpasses

Analyses done on the labour market show significant additions of new jobs due to the expansion. The area's improved attraction will also draw new companies to the area. The new terminal is thus expected to be an important measure in terms of city development in the corridor between the port and Gdynia centre.

## The port of Karlskrona

Karlskrona's already existing infrastructure system of roads, railroads and port facilities has some free capacity.

The road system is generally of high quality with good connections to the principal national road system and with connections to the interesting development areas in Sweden. Generally, the capacity is sufficient for an increase in transport flows, except for one part, the entrance to Karlskrona, where the traffic load on the roads in peak hours are very close to their limits. This can be solved in either of two ways. Either the ferry traffic is scheduled so that arrivals do not happen in peak hours, which are basically two half hours morning and evening, or the road system is upgraded to a higher capacity. The latter will happen when the road and rail system is upgraded to meet the increased rail traffic to and from Verkö (Phase II).

A rail connection already exists to the national system both to the north and to the south. In order to manage the increased flows however, the rail systems in Gullberna must be adapted to a different standard. In the long term, a marshalling yard for freight will also be necessary, either in Gullberna or on Verkö.

Partly due to an investment within the framework of the SEBTrans-Link project, the port on Verkö is now better equipped to manage the increased transport volumes – both in terms of passengers and of goods. The investment has primarily been made to improve security standards. The port's location is relatively beneficial; close to a shopping center yet in an area prepared and planned for port and industry operations. The area is suitable for further expansion of new ferry berths and additional cargo handling space. The nautical conditions are also very beneficial with sufficient depths and navigational conditions.



*Verkö and current port.*



*Port area with planned marshalling yard.*



The study shows that Verkö with road and rail connections could be developed to meet the future demand for transports in SEBTrans-Link. The port location is beneficial for a large-depth port with excellent approach possibilities from the sea and the port is expandable with new berths. Karlskrona's long-term strategy is to keep Verkö as the main ferry port.

The ferry capacity is a bottleneck. Increased capacity is attained either by adding a ferry berth or with larger ferries. As goods volumes increase, the demand for associated rail transports will also increase. This can lead to a future need for a rail ferry. Therefore it is important that new ferry berths provide the possibilities for efficient handling of goods between the ferry and the trains. The study shows that the port could develop so that these requirements can be met.

A rail connection to the port exists already. The study shows that some of the goods transports can be transferred to the railroad with rather small measures. Expanded rail traffic will become important from both environmental and transport economic standpoints. A proper marshalling yard is the most important measure. One of the advantages of placing the yard on Verkö is that the trains can run directly to the port. Road connections to the port are already today of good quality and the capacity can be upgraded as volumes increase.

The municipality's study of future road traffic volumes indicate that the volumes on the northern part of Verkövägen will grow from 15 000 vehicles today to approximately 19 000 vehicles in 2020.

## Safe road connections to the port of Klaipeda

European road E85 between Klaipeda and Kaunas and the roads A13 and A141 links the port of Klaipeda with Lithuania in the north and with Kaliningrad in the south. Road E85 between Kaunas and Klaipeda is categorized as a motorway and is currently of relatively good standard. Investments in increased security are currently under way with support from the EU structural funds, which means that other actors tend to these current deficiencies. The Lithuanian part of the SEBTrans-Link project has therefore been able to focus on roads A13 and A141. Ten work groups consisting of representatives from both regional and local actors have been involved in the analyses of these roads.



*Klaipeda county*

Results show that the age of the Lithuanian car pool and the fast traffic growth, leading to congestion in the major cities, causes a significant environmental effect. Noise problems from rails and roads are also significant. Traffic safety is another looming problem. The risk of an accident is 5-6 times higher in Lithuania than in the Scandinavian countries.

In a second phase, the technical conditions on roads A13 and A141 were surveyed. The lack of repair and maintenance during the 1990's was identified as the reason why cracks in the paving and other problems remain. Road signs are worn and of poor quality. Additionally, noise reduction and wild life fences are lacking. A survey of available rest areas show that they are 9 times less frequent in Lithuania than in most Western European countries.

More than 40 problematic stretches of road were identified. The most serious problems regard traffic safety on the roads. Several stretches require an upgrade in terms of signs, lighting, surface markings and roadside markings. In order to increase accessibility for tourists, an expansion of rest areas has been suggested in proximity to five tourist cities and places of tourist interest.

The most problematic stretches on road A141 are in proximity to the towns of Pagegiai and Saugos where the traffic safety standard is poor. The problems are accentuated along stretches where the municipalities are responsible for maintenance. On road A13, the main deficiency is the lack of a ring road around Palanga.

The ferry between Klaipeda and the Kurian isthmus is often overloaded, and departures are frequently cancelled in poor weather. Investments in a new bridge between Klaipeda and the Kurian isthmus are suggested. The ferry that crosses the Klaipeda harbour basin is however an obstacle.



*Klaipeda and the Kurian isthmus*

A total of 40 measures are recommended. They have been divided in two parts:

- One concerning transport infrastructure
- One concerning tourism, each divided into five separate steps
- The ring road around Palanga is not included

Primarily, implementation is proposed of the first two steps in part one and all five steps in part two.

The infrastructure projects that are not covered can be subject to further study.

For those projects that are included, it is estimated that applications for EU structural fund co-financing could be finalized in September 2006.

## Kaliningrad increasingly integrated in the Baltic Sea Region

Kaliningrad has always been an important port in the South East Baltic. Already in the 12th century, the trade was significant in the Hanseatic city. In 1990 the port was opened for traffic to the west. After a significant decline in goods volumes between 1988 and 1999 a dramatic shift upward has been experienced. This positive development has primarily been caused by increased oil exports. In 2004, oil-related exports represented 57% of the total volume.<sup>2</sup>

In the past five years, measures have been taken to upgrade the facilities for civil transport in the port. The canal by which the City port and Svetly are located have been deepened and the goods handling equipment has been modernized in City ports. A new oil terminal has been constructed in Svetly and Ro-Ro traffic has been introduced in Baltijsk. The container traffic that was introduced in 1993 is increasing but does still only represent a small part of the total volume. A container terminal that can compete with ports in Poland, Lithuania, Latvia and Estonia is lacking. The ports of Kaliningrad offers links with the principal Russian rail system via Vilnius and Minsk and road connections via Lithuania and Belarus – as well as the via the extended route through Goldap and Suwalki in Poland.

Almost a quarter of a million tourists visited Kaliningrad in 2001. Most came from Russia (74%). Other dominating nations are Germany, Poland and Lithuania. Kaliningrad was indeed opened for tourists in 1990, but is still less accessible due to visa regulations that limit the number of visitors. The national programme for

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<sup>2</sup> *The ports of Kaliningrad, The European context.* German- Russian Conference. Kaliningrad, 20<sup>th</sup> April 2005.

tourism and recreation in Kaliningrad suggests that the city should accept 550 000 tourists by 2010. The share of visitors from other parts of Russia is expected to grow somewhat<sup>3</sup>.



*Kaliningrad is, like Klaipeda, at a river mouth forming a lagoon protected from the sea by large sand dunes. The old city of Baltijsk is located farthest to the west towards the Baltic Sea. Today, the Kaliningrad port consists of four facilities: City Ports (1) in the city of Kaliningrad, Svetly (2) mainly handling oil, Baltijsk-Voostochny (3) and Pionersky (4) on the northern coastline which is primarily a fishing harbour.*

Source: Satellite images from Google

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<sup>3</sup> *Strategy of the social and economic development of the Kaliningrad region as a cooperation region for the period to the year 2010,* Kaliningrad Regional Administration, 2003.

The Baltic Sea is probably the most important tourist attraction in the region. Königsberg was founded in 1255 by the German order. The medieval town was almost obliterated during World War II. Today, only parts of the old town remain. The city of Baltijsk is located on the Baltic isthmus and contains historical fortresses, among them Fort Pillau that was constructed by the Swedish king Gustavus Adolphus. The Kurian Baltic isthmuses represent the most unique natural values in these areas and the nature is characterized by sand dunes.

Kaliningrad plays a significant role for the possibilities to develop a future partnership between the EU and the Russian Federation. The need is accentuated by the demands of the global economy after 2007.

No specific studies have been performed in Kaliningrad within the framework of SEBTrans-Link due to lack of funding from Tacis. The Russian partner's participation has primarily consisted of representation at seminars and meetings. Project meetings in Baltijsk has enabled a large group of experts and politicians to present the actual conditions, current development tendencies and planned developments in Kaliningrad, as well as getting the other partner's presentations. This has mainly led to an exchange of experiences and joint discussions.





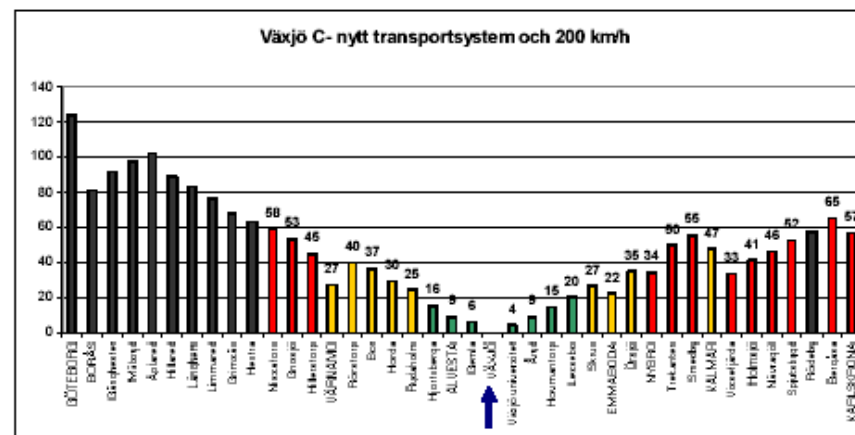
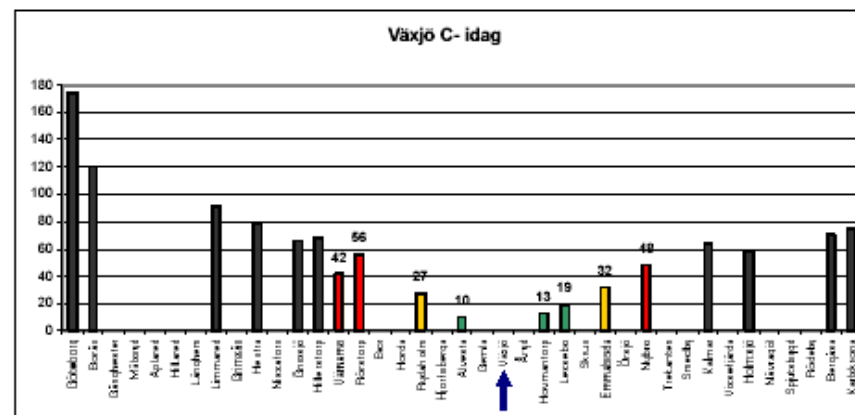
## Roads and railways

### Railway-based public transport

People's activity range has grown as technical infrastructures, especially transport systems, have developed. Trade and industries' location has become less dependent on particular resources at a specific place. Markets for housing, labour force and shopping has become more widespread. At the same time, the concentration of activities has grown in places with high accessibility. This means that the functional regions' geographic spread has increased while the economy has simultaneously become more urban. The cities' significance has therefore grown. The economic geography is mostly reflected in the social patterns and the condition of the environment. Often, the local labour market is regarded as a functional region. Improved transport systems can enhance the joint market potentials and increase trade and industries as well as the labour market's variety and variation within the reach of a local labour market.

Within the Swedish part of Baltic Link, strategies to support the expansion and integration of the various local labour market areas, using fast and effective public transport in the corridor, have been studied. The ambition is to enlarge the commuting regions i.e. to increase the number of people having access to the regions.

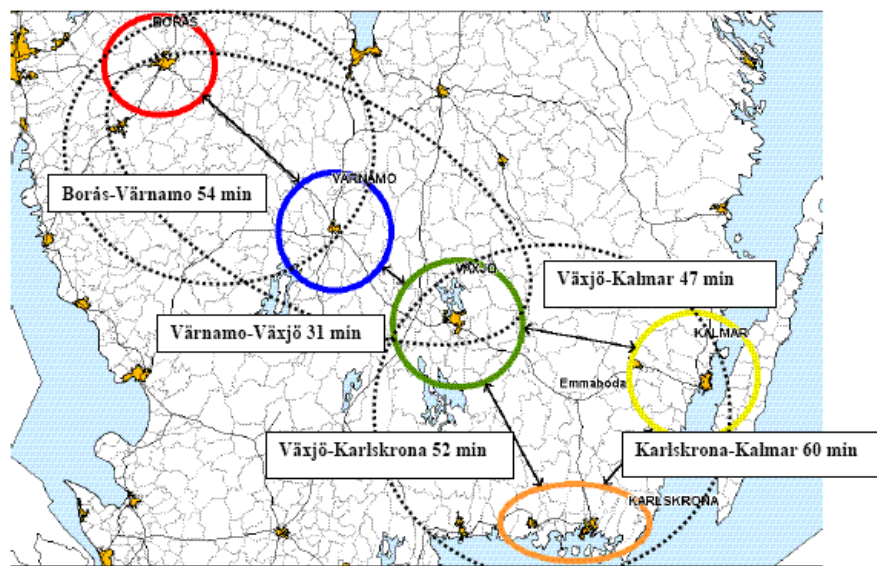
The universities in the corridor have varying thematic orientations and do not compete with each other. Borås is specialised in textile and library services. Växjö has a wide range of thematic fields and one of Sweden's three police academies. Kalmar hosts Sweden's leading maritime college and BTH in Ronneby/Karlskrona has specialised in information technology. This thematic diversity and partition has the advantage of focusing the various schools, but also causes long distance travel because each university or college has a large catchment area.



Travel times to/from Växjö today, and with the new transport system and the upgraded speed of 200 km/h.

The studies have focused on possibilities to link bigger cities along the corridor through faster connections, while simultaneously linking these cities to smaller towns and villages in their vicinity. In the cities, the interregional and regional corridor connections are linked to the local transport system. The overarching strategy of improved and effective public transport system has been realized in a couple of suggestions:

- Fast regional trains with few stops, completed with
- Ordinary trains with many stops, and
- A system of regional buses connecting the railway station with the vicinity



*Expected regional enlargement effects with new transport system based on a high speed train in the Baltic-Link.*

An upgrading of the railway infrastructure to speed limits of 200 km/h is suggested. Faster travel connections and improved accessibility would effectively consolidate the five current labour markets to three, together encompassing approximately 500,000 people.

The study shows that there is potential to develop local labour markets within the transport corridor's area of influence. The suggested method is an improved public transport system with the railway as a backbone. There is potential for better collaboration between higher education and service as well as for improved contacts between academia, the business community and public services. It is, however, necessary to further analyse and assess the consequences of such an enlargement of the regional labour markets, and to investigate the effects in terms of new jobs, economic growth and other regional development effects.

## Traffic infrastructure in the Swedish part of the corridor

A couple of studies and assessments have been conducted in order to prepare infrastructure investments with the aim to improve the conditions along the Swedish part of the Baltic Link corridor. Representatives of municipalities, county administrative boards and regional associations along the corridor as well as the national transport authorities and Stena Line have together identified demands for measures. They have prioritised certain selected projects to be studied and assessed. The studied projects only represent one part of the current investment needs. Several other projects are already mentioned in agreed long-term plans. Some others are under assessment or in the phase of implementation. The work conducted in SEBTrans-Link has contributed to certain infrastructure measures being brought forward faster. Concrete investments has been made possible with regard to increased safety at railway crossings which have given advantages to the railway freight transport to the port of Karlskrona.

A special study for the Coast-to-Coast railway shows the pre-conditions and suggests feasible solutions for the problems of the section Emmaboda-Karlskrona. The Swedish Railway Authority has decided to carry out upgrading measures according to the alternatives suggested in the feasibility study. The upgrading has effects on decreased travel times, better comfort, higher safety and a more effective train operations. The next steps in the process are to set up the system's handling, then construction plans and finally the construction itself. The upgrading measures will cost 625 M SEK, which are already reserved in the Railway Authorities national investment plan. According to this plan the start of construction is planned during the period 2010-2015. Possibilities to start these measures earlier than proposed have to be assessed. Another special study has been made for the railway connections to the port of Karlskrona.



*Baltic-Link connects the Swedish west coast and Norway with the southeast coast. The port of Gothenburg is linked to the port of Karlskrona, the Baltic Sea, the ports of northeastern Poland, Kaliningrad and Lithuania and the corridors towards Central Europe, the Balkans, Mediterranean and the EU's new neighbouring countries.*

Ten road studies have been made in Baltic Link. The purpose of these studies was to assess how road safety and accessibility can be improved in the area. In some cases even measures for improving living conditions along the roads are necessary. The suggested measures have varying scopes and are of both short- and long-term nature. Many proposed measures aim at establishing roads with separated driving lanes to provide better safety and driving conditions and minimised negative consequences in case of accidents. Some studies have assessed alternative localisations of new road sections.

Only a part of the suggested measures are included in current national and regional road plans. The SEBTrans-Link project has resulted in cost calculations for road investments within Baltic Link corresponding to approximately 2.5 billion SEK whereof some 1.3 billion are included in the long-term road plans.

In order to enhance the corridor's identity, the SEBTrans-Link project has applied for one single road number including the entire stretch Karlskrona – Gothenburg. The application has been accepted of the National Road Authority and made real. The entire stretch, which previously had five different road numbers, is now called Road 27. Baltic Link has been suggested as one common name for the stretch. Proposals to set up sign posts along the entire corridor from Gothenburg in Sweden to Katowice in Poland has been discussed. The suggestion will be further examined within the joint interest organisation Baltic Link Association.



*A common road sign has been suggested for the entire Baltic Link*

It is of high importance to increase the infrastructure standard of the corridor's Swedish part in order to concentrate the increasing traffic on suitable roads and railways, which have been improved in terms of safety and accessibility. This would also contribute to protect the local environment along the corridor.

Today, trucks provide for most of the freight transport on both sides of the Baltic Sea. Road transports account for much higher volumes than railway transports. If the transport corridor shall become sustainable in long-term, large shares of both freight and passenger transport need to be switched to railway. Competitive railway transports including a well-functioning infrastructure and effective transport services with inter-modal solutions in the ports are pre-conditions for such a more sustainable development.

The geographic situation in the southeast Baltic Sea area, and the nearness between the countries on both sides of the Baltic, opens for interesting economic growth opportunities. Even the possibilities for trade and cultural exchange are good within the region. However, this requires deliberate support and a common view on the necessary improvements concerning infrastructure and communication services, which can meet the increasing demands. Due to the limited resources for infrastructure investments clear decision regarding priority measures are necessary. Governments, the regions and the municipalities must move forward in the same direction.

By conforming the corridor in the TEN-system co-financing is made possible through EU funds. A classification of SEBTrans-Link as a "Motorway of the Sea" would also entitle the project a 20% co-financing from the EU on certain types of investments.



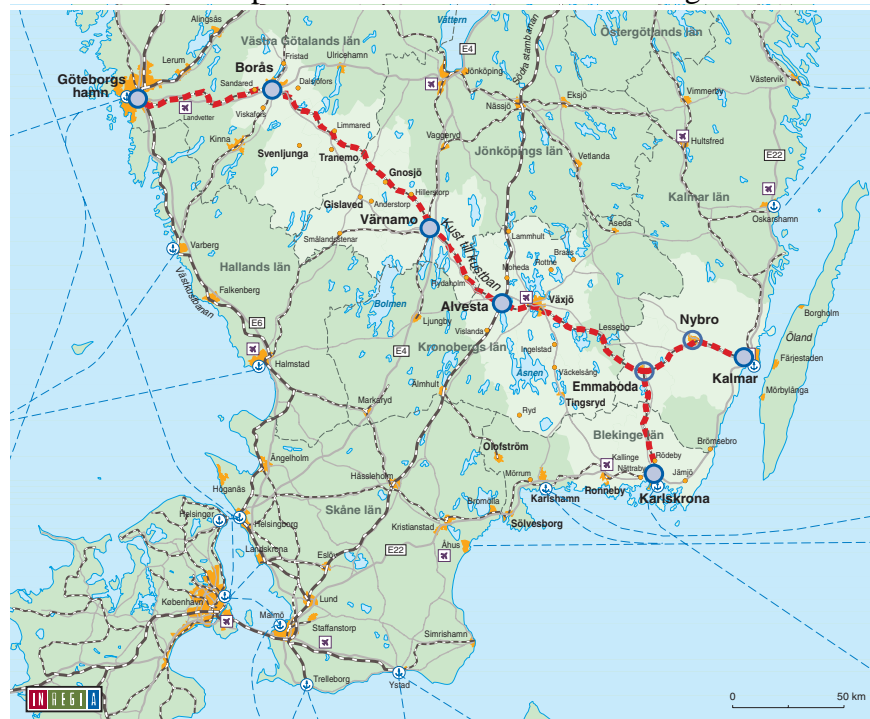
## Intermodal goods transport solutions

The preconditions to establish a system with transfer points for small-scale goods transports have been studied. The goal is to enable a transition from road transports to rail on the Coast-to-Coast line between Karlskrona/Kalmar and Gothenburg. The market demand and the capacity conditions were surveyed partly using interviews. Suitable transfer points, so called break points, were identified.

Most companies currently transport their goods on truck. Only three of the twenty-five interviewed companies between Borås and Värnamo used rail transport. The companies, however, do not generally have a clear notion of what it would mean to transport their goods on rail. Therefore, this could prove to be an attractive solution for most companies, assuming the operators can offer transport with a high level of service and flexibility at the same or even lower cost than the current road transports. The operators must also show that rail transports do not necessarily entail additional effort or cost for the shipper.

Since only one in seven of the companies in the corridor has access to their own sidings, a smooth railway solution is preconditioned upon feeder traffic by truck to and from the break points. In order for companies to evaluate the relevance of such a system, they need concrete presentation of a proposed transport solution – where rail transports is an integrated part. Only few rial operators, forwarders and ports use the opportunity to forward goods on the Coast-to-Coast line today. Several of them however, want to develop rail transports and saw the potential in the Coast-to-Coast line. All ports want to increase the share of goods running on rail. The large capacity of the railroad is increasingly attractive as congestion on the roads grow.

The survey shows that the current flow of goods along the Coast-to-Coast corridor can provide a sufficient demand for a goods shuttle.



*Borås, Värnamo, Alvesta, Nybro (Emmaboda) and the ports are suggested break points*

According to the conclusions, a prerequisite is that satisfactory infrastructure at both ends of the corridor are secured. For that reason, a €374,000 investment in increased safety on the track in the port of Karlskrona was made. As a result of this investment, the speed can now be increased from 5 to 30 km/h on the approach to the port. A proposal for merchandize transports of unitized cargo was also produced. The proposal involves the establishment of a goods shuttle, in the form of a combi-train. The train makes four stops between Goth-

enburg and Kalmar/Karlskrona. The proposal suggests that cargo is transported on rail to one of the transfer points and from there by truck to the final destination – and vice versa. This method eliminates the need for individual sidings. It also enables standardization of loading and unloading methods at suitable transfer points along the track.

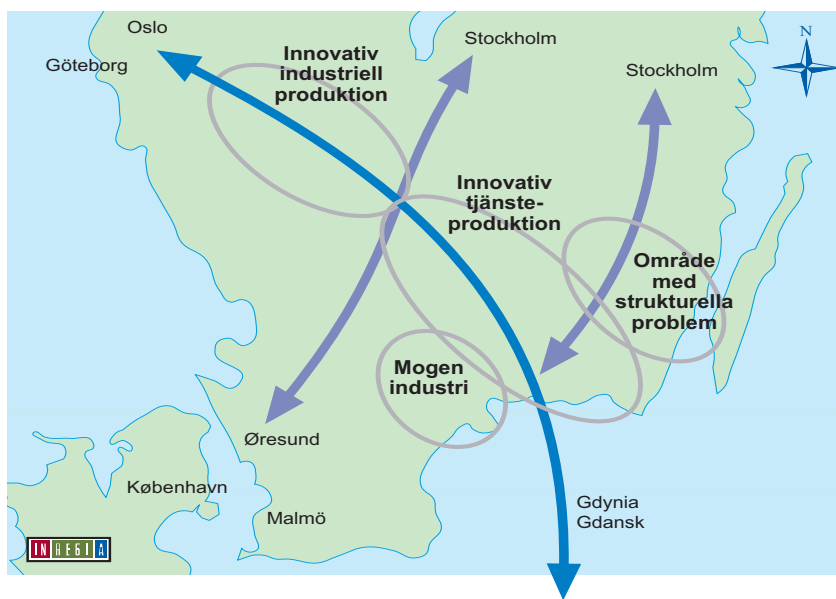
The current conditions at the break points do not allow trains longer than 20 cars (approximately 300 meters). This is a relatively common length of trains on similar stretches. Interviewed operators and forwarders suggest that such a shuttle, with current conditions, could very well be operational, providing profitability.

- Increased transport flows in the region places increased demands on the infrastructure, but also on measures to decrease the transports' environmental effects. One way to alleviate this is to transport a larger share of the volume on railroads.
- Significant efforts are currently under way to increase goods volumes on rail on both sides of the South East Baltic Sea. The ports of Karlskrona and Gdynia and Stena Line jointly develop intermodal goods transports – both in the north southerly direction as well as in Poland and on the Coast-to-Coast line in Sweden.
- A system of cost effective intermodal goods transports, where rail and road transports work in synergy, must be offered in order to generate interest in the business community.
- Additionally, a high level of service, flexibility and competitive pricing is necessary. A scheduled goods shuttle will meet several requirements. It suits primarily companies with regular transport needs. Cooperation between forwarders and train operators must be established to realize this.
- High speed passenger trains on the Coast-to-Coast line should not compete with the goods trains, provided that the goods trains run mainly at night.

## Business and tourism

### Renewal and innovation

A study of preconditions for business innovation and renewal was made within the Swedish part of the Baltic Link area of influence. The study, which was focused on development trends and possible areas of public sector influence, was based on statistical research and monitoring of indicators related to economic growth. Additionally, the survey included interviews with business leaders, and representatives of branch organisations and universities in the geographic area.



*The corridor's northwestern part is characterized by innovative manufacturing industry while the corridor's southwestern part is dominated by service providing industry*

The following growth sectors were identified among manufacturing industries in the corridor: wood product industry, metal product industry, textile and clothing industry, sawmill and wood impregnating industry, rubber and plastic product industry and electronics and telecom product industry. The previously identified geographic divide remains. A concentration of innovative industrial production exists in the northwestern parts. The southeastern parts include an innovative service orientated industrial structure.

Twenty persons were interviewed. The answers indicate that the crucial success factors for the private companies primarily consists of good professional networks and access to qualified staff. The networks and customers are increasingly found globally. Though the importance of proximity to colleagues and subcontractors is underlined, the proximity to customers and price competition among subcontractors are becoming increasingly important. As subcontractors, colleagues and customers are to be found on an international and global market, the importance of transport logistics becomes more important for the industrial competitiveness.

This requires good transportation facilities for cargo and especially for people. The personal contacts among businesses, subcontractors and customers become denser and the accessibility of business life in this respect is considered as a very important competitive factor in the corridor. Furthermore, good interregional transport systems are required to allow for those employed to travel to and from work. This is important for the region's relative attractiveness as a residential area, but it is also important for the recruiting of labour.

The business representatives also underline the fact that the accessibility and standard for cargo transport is relatively good. However, they ask for investments in improved travel systems. The demand for a bigger airport with a big enough passenger flow to assure air

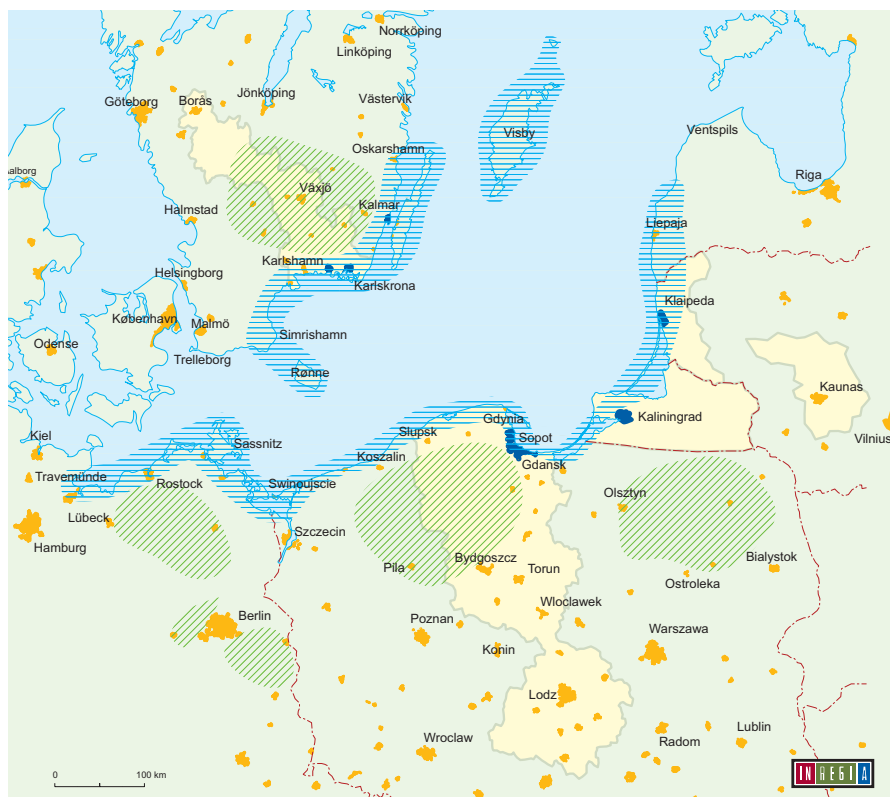
transport services in the long term and with a varied set of destinations is commonly commented. Many of those interviewed think that the existing smaller airports of today should be consolidated into one, primarily to strengthen the market potential for passenger transport. The interviewed representatives for local businesses give priority to an airport with more frequent and varied departures to more destinations compared to a more adjacent airport with a smaller variety of services and fewer departures. The accessibility between the towns in the corridor is equally important as the international accessibility to major international cities. It is regarded as very important to enable fast and smooth air transport to hubs and major international airports in the surrounding area for further transport internationally.



*Three similar-sized airports are located in the southeast*

- The business community would like to see regional enlargement for both business and quality of life reasons. An integration of the labour markets and regional enlargement is a prerequisite for the activities in the corridor.
- The region's attractiveness and quality of life is important to the inhabitants and thus for the business community. It must be possible to have a rewarding private and professional life in the area.
- The region's industry is divided in terms of character and geography. One with a manufacturing focus and one with a service focus. The industry is generally viewed as innovative and productive.
- The business community maintains a global network of clients, contractors and partners, which generates a lot of travel.
- The transport conditions for goods are generally adequate. They need constant attention and upgrading in order to safeguard the industry's long-term competitiveness.
- The conditions for local, regional, national and international passenger transports must be improved. Fast, frequent and efficient connections to major cities in the vicinity and to international airports with inter-continental destinations are very important.
- The possibility to consolidate the southeastern corridor's three smaller airports into one in order to establish a critical mass of demand and long-term stability of service should be further investigated.
- The significant physical distances and the relatively limited access to major international markets increase the incentive to consolidate the markets for labour, housing and education in the corridor. It also increases the incentives to increase municipal service cooperation and specialization.
- The region has an adequate supply of higher education. This should be utilized better by closer cooperation of triple-helix character. This enhances the students' chances to find attractive jobs in the region and provides a better basis for employment for the region's companies – ultimately strengthening their competitiveness.

## An attractive visitor's area



*The shoreline and green areas in the South East Baltic Sea are attractive destinations*

Tourism is of substantial importance for the local economy and employment. For that reason, it is an important task for local and regional actors to stimulate this sector. The area's collective strength as a destination is intimately connected to the Baltic Sea and the attractiveness inherent in the shoreline's closeness to water. Another strength is the many relatively unexploited areas where visitors can find relaxation, nature and silence. Thirdly, the area offers historical

and cultural values and an ancient city culture – where primarily Poland hosts great values. In these values lie many previous and current ties between the countries.

The long hiatus in relations during the period Europe was divided by the iron curtain has left many unknowing their neighbour's values. Furthermore, information has been lacking about potential tourist destinations. Tourist and travel agencies have only limited contact across the borders and it is difficult to find printed materials or information in the Internet. The information that is available is rarely translated.

A limited supply of transportation paired with poor transport infrastructure and significant differences in traffic safety decrease the number of visitors additionally.

The South East Baltic Sea area hosts unique cultural and natural values and have a substantial development potential for recreation and tourism. The area has almost none of the negative sides following over exploitation. A development that focuses on small-scale solutions can contribute to the support of economically weak areas and to the protection of sensitive milieus. Initiatives to protect the diversity in the area support the variation that in turn increases attractiveness. For the market sectors that are currently growing on the European tourism market, like nature tourism, thematic travels in art, culture and history, there is significant growth potential in the corridor.

Deficiencies in the transport infrastructure and communications in the Baltic-Link hinder the development of the tourism sector. The roads that link the transport corridors with the natural and culturally interesting sites are important for accessibility. An improvement in the transport supply would create improved conditions for the tour-

ism sector. Improved road signs and information about the various destinations help visualize interesting sites. In the Baltic and Polish parts of the corridor, the quality and safety of the road infrastructure is a significant obstacle. The Polish tourist strategy and SEBTrans-Link has identified key investments to improve conditions.

Accessibility with air is very important to foreign tourists and their choice of destination. Air traffic is still quite undeveloped in the area. The most developed international transportation mode is the ferry traffic. In order to better utilize the international accessibility, the ports must be better linked to the land transport system.

Many interesting tourist destinations are still unknown. In order for tourists to find them, improved information and IT measures in the extended geography, including the coastal zones in the entire South Baltic Sea area will be necessary.



*Andrzej Olszewski and his orchestra from Kaschubien, Poland*



## PARTNERS

### Sweden

#### Municipalities:

Växjö, (Lead Partner ), [www.vaxjo.se](http://www.vaxjo.se)

Karlskrona, [www.karlskrona.se](http://www.karlskrona.se)

Ronneby, [www.ronneby.se](http://www.ronneby.se)

Emmaboda, [www.emmaboda.se](http://www.emmaboda.se)

Tingsryd, [www.tingsryd.se](http://www.tingsryd.se)

Alvesta, [www.alvesta.se](http://www.alvesta.se)

Värnamo, [www.varnamo.se](http://www.varnamo.se)

Gnosjö, [www.gnosjo.se](http://www.gnosjo.se)

Gislaved, [www.gislaved.se](http://www.gislaved.se)

#### Regions:

Sjuhärad Association of Local Municipalities, [www.sjuharad.com](http://www.sjuharad.com)

County Administrative Board Kronoberg, [www.g.lst.se](http://www.g.lst.se)

County Administrative Board Jönköping, [www.f.lst.se](http://www.f.lst.se)

Regional Council in Kalmar County, [www.kalmar.regionforbund.se](http://www.kalmar.regionforbund.se)

#### Others:

Swedish Road Administration, [www.vv.se](http://www.vv.se)

Swedish National Rail Administration, [www.banverket.se](http://www.banverket.se)

Swedish Maritime Administration, [www.sjofartsverket.se](http://www.sjofartsverket.se)

Chamber of Commerce and Industry of Southern Sweden,

[www.handelskammaren.com](http://www.handelskammaren.com)

Stena Line, [www.stenaline.se](http://www.stenaline.se)

Port of Karlskrona, [www.karlskrona.se](http://www.karlskrona.se)

Energy Agency for Southeast Sweden, [www.energikontor-so.com/](http://www.energikontor-so.com/)

### Poland

City of Gdynia, (Lead Partner ), [www.gdynia.pl](http://www.gdynia.pl)

Port of Gdynia

### Lithuania

Klaipeda County, ( Lead Partner ), [www.klaipeda.lt](http://www.klaipeda.lt)

Port of Klaipeda, [www.port.lt](http://www.port.lt)

Kaunas County, [www.kaunas.aps.lt](http://www.kaunas.aps.lt)

### Kaliningrad

Transport Complex Development Department of the Administration of Kaliningrad region (Lead Partner)

Administration of Baltijsk Municipal District, [www.hkhamb-ahk-kaliningrad.com](http://www.hkhamb-ahk-kaliningrad.com)

Baltic State Academy

## Reports

Labour market expanding, Swedish part of the SEBTrans-Link

Sustainable growth in the SEBTrans-Link corridor –  
Development tendencies and possibilities for influence

Sustainable Development of Tourism Around the South East  
Baltic Sea - Protection of natural and urban environment and  
promotion of cultural assets

Improved infrastructure for regional development – The Swedish  
part of SEBTrans – Link

Railway-based break point system along the Coast-to-Coast  
railway – The Swedish part of SEBTrans-Link



Report written and edited by Susanne Ingo, Mattias Frithiof,  
Sirje Pädam and Anna Vindelman, Inregia AB