

## Less cargo and fewer passengers in the first six months of 2020

„12.7 million gross tonnes of cargo were handled at Rostock overseas port in the first six months of this year, i.e. 600,000 tonnes or 5 percent less than in the same period last year. The decline in handling volume is however only partly due to the coronavirus situation. Rather, it is statistical due to the one-time effect of crude oil imports in 2019. On the whole, the business model of the port of Rostock is showing its stability by compensating for declines in some handling segments caused by the coronavirus with the help of other port activities, such as the ferry and ro-ro business“, says Dr. Gernot Tesch, Managing Director of ROSTOCK PORT. „The largest port in Mecklenburg-Vorpommern does see some effects of the coronavirus pandemic in its cargo business, but more so in passenger transport“, explains ROSTOCK PORT MD Jens A. Scharner, adding: „The restrictions that have been in place since mid-March have an economic effect also for our port. Work flows have been and partly are still restricted or interrupted in many companies, just like supply chains. The suspension of national and international tourist and private travel has so far led to a massive slump in ferry and cruise passenger traffic“.

Growth in dry bulk and general cargo, decline in ro-ro and liquid goods

„Handling in the first half of 2020 showed widely different trends in the individual main cargo types, some being more affected by the effects of the coronavirus than others. Even under the conditions of the virus situation Rostock was and is competitive and operational. Throughout the pandemic ROSTOCK PORT continues to focus on improving the port and traffic infrastructure“, states Jens A. Scharner.

Wheeled cargo in ferry and ro-ro traffic, which has driven the growth of cargo handling at the port of Rostock for years, notched up a ten percent decrease compared to the first half of 2019. 7.53 million tonnes of wheeled cargo were moved at the ferry and ro-ro terminal from January to June 2020. In the first half of the year the ferry and ro-ro goods accounted for 59 percent of overall

handling at the all-purpose port of Rostock. Handling of bulk and general cargo reached nearly 5.2 million tonnes during the first 6 months of the year and thus provided 41 percent of the total cargo handling. The number of ferry passengers carried to and from Northern Europe dropped to 546,000, which is half the number of the same period last year due to the coronavirus.

Rostock overseas port recorded 3,730 calls by ferry, ro-ro, cargo and cargo vessels in the first six months of the year, 2,804 (2019: 3,099) of which were port calls by ferries and ro-ro vessels.

### **Wheeled cargo**

181,000 trucks (escorted units) were carried on the three ferry and three ro-ro services to and from Denmark, Sweden and Finland, 8 percent less than in the same period last year. Handling of unescorted units also went down a little, 63,700 trailers and other cargo units having been loaded and unloaded (minus four percent). In addition just under 10,000 railway wagons were carried by sea in the first half of 2020, almost reaching the level of the previous year. The number of cars carried saw the same decline as the ferry passenger numbers, by almost half to 102,360 vehicles.

The handling of paper and wood pulp achieved a result of 287,000 tonnes. This was 73,000 tonnes less than in the same period of 2019. This decline is due among other reasons to a strike in the forest industry in Finland earlier in the year.

The handling of load units in intermodal transport went down slightly by 3 percent to 44,661 load units on last year. The start of the year was very promising: Rostock Trimodal, the operator of the Intermodal Terminal, was able to announce this March as the month with the highest handling since the company was established at the site. This shows that transport chains in intermodal traffic via Rostock are an important link in maintaining security of supplies in Europe. „We continue to work with partners to create new train connections to the natural hinterland of Rostock. We want to make better use of the locational advantages of Rostock in railway transport, both intermodal and conventional, than we have so far“, says Dr. Gernot Tesch.

31 intermodal transport services run every week between Rostock and Verona (16), Cervignano (2), Brno (3), Lovosice (5), Curtici (1), Wuppertal (3) and Halle (1).

## **Bulk goods and general cargo**

There was a strong decline of about 500,000 tonnes in the handling of liquid goods. 1.26 million tonnes were pumped across the edge of the quay until the end of June 2020. Due to a singular situation, 800,000 tonnes of crude oil had been imported to the tank farm of Rostock oil port (GÖR) during the first half of 2019 by tanker in order to create an alternative supply for the PCK Schwedt refinery since oil supplies from Russia via the “Drushba” pipeline had been partly stopped at the end of April 2019. During the first half of 2020, by contrast, no crude oil was imported, but there were handling increases in rapeseed oil, petrol, fuel oil and especially naphtha.

The handling of dry bulk was way above the level of the previous year at 3.6 million tonnes (plus 21 percent or 600,000 tonnes). This growth during the first six months of the year was driven by grain handling which accounted for the lion’s share of dry bulk handling at 2.2 million tonnes (plus 47 percent). There were considerable declines in the handling of coal (minus 337,000 tonnes), while split gravel (plus 90,000 tonnes) and cement (plus 50,000 tonnes) saw increases.

In the general cargo division 283,000 tonnes were hoisted over the side, which is 18,000 tonnes more or a plus of seven percent on the same period last year. Especially more sheet metal, pipes and wind power plants were loaded and discharged.

For the first time since the late 1980s containers were once again handled at Rostock overseas port. The first containers with industrial goods and medical supplies from Xi’an in the central Chinese province of Shaanxi arrived in Rostock by rail and sea over the New Silk Road on 7 April. This rail service organized by DB Cargo Eurasia with cargoes of the logistics company DB Schenker uses the route from China via Kazakhstan, Russia, Belarus and Lithuania to the Russian port of Kaliningrad. There the cargo is taken over by the shipping company Mann Lines and taken to Rostock overseas port by container vessel. The containers are then hoisted off the ship at the general

cargo terminal of the cargo handling company Euroports Germany on pier 2. Most of the containers are delivered on via the intermodal transport terminal of Rostock Trimodal to Verona in Italy or by ferry to Sweden via Trelleborg.

The decisive difference compared to conventional, exclusively land-based rail transport routes on the Silk Road is in the use of a short-sea container liner service between Kaliningrad and Rostock. The targeted regular transit time of this container traffic between China and the respective European destination is twelve days. „Compared to railway transport via the infrastructure in Poland and Belarus with bottlenecks by construction work on the line and border controls, the short-sea alternative from Kaliningrad to Rostock offers a shorter transit time and a high reliability. Both are main points for the customers to use the intermodal land-sea route as a transport alternative, especially since Rostock offers them perfect options for redistribution “, says Dr. Gernot Tesch.

#### Projects and investments by ROSTOCK PORT GmbH

The large building projects like the new building of berth 23, which included dredging to increase the draught, the optimization of the ferry and ro-ro berths 50, 62 and 63 as well as the construction of a new terminal building in Warnemünde were mostly completed by June 2020.

The new-built berths are already in use. For instance, fertilizer and coal were already handled at berth 23 last month and berths 50/41, 62 and 63 handled ro-ro goods, including paper.

The quay structure at berth 23, which was more than 50 years old, was in need of refurbishment. In the course of the building work the load-bearing capacity of the quay surface was increased from two to five tonnes per square meter. The total expenditure amounts to about Euro 18.6 million.

Last year the planning permission documentation for the deepening of the navigational channel in Rostock to 16.50 meters was made available for public examination, followed by a hearing in early 2020, both of which created the preconditions for future traffic flows and cargo handling potentials especially in the field of bulk cargo. Currently the Waterways and Shipping Authority is working on the zoning approval, a draft of which is to be ready for public display still this year. The German government plans to spend more than Euro 100 million on deepening the entrance channel to the port of Rostock, which is

about 15 km long, to 16.5 meters in order to allow ships with a draught of up to 15 meters to enter the port of Rostock safely. The deepening of the navigational channel in Rostock is to start in the year 2021 and is estimated to take about two and a half years. ROSTOCK PORT itself now focuses on planning the new-building of and dredging at berths 17 and 18.

In order to be able to handle ships with a length up to 220 or 250 meters, respectively, in the ferry and ro-ro division, berths 62 and 63 were modified since the end of 2018. By new-building berth 50, the transverse quay at port basin A, it will be possible for ro-ro vessels with a length up to 250 meters to berth and handle cargo here as well in the future. The total cost for optimizing these three ferry and ro-ro berths amounts to approx. Euro 21 million.

In order to improve the quality, sustainability and safety of cruise shipping in Warnemünde the federal state, the Hanseatic and University City of Rostock and ROSTOCK PORT have invested more than Euro 15 million in the new-building of an additional terminal building at berth P8. The building, which is 186 meters long and 30 meters wide, is largely completed and was inaugurated on 2 July 2020.

For the year 2020 ROSTOCK PORT plans on a capex volume of around Euro 30 million. Some of these costs relate to the projects completed in the first six months of 2020 and the rest to building projects like preparing an area of seven hectares near the port entrance for construction and building a tunnel underpass to connect two logistics areas in the future.

Another investment project was begun already at the end of 2019 after an EU-wide invitation to tender, the „Improvement of traffic flow part 2“. A first section comprises the a/m preparation for construction of about 7 hectares of port territory. Further sections will serve above all to upgrade and optimize existing traffic facilities. The total volume of the investment project „Improvement of traffic flow part 2“ is around Euro 12 million and it is to be implemented over the next three years.

Currently the planning department of the Hanseatic and University City of Rostock as the responsible authority is conducting the construction of a shore power installation to supply ships at berths P7 and P8 in Warnemünde. A declaration of intent to this effect on the joint promotion of environmentally friendly and sustainable cruise shipping had been signed with AIDA Cruises, the federal state of Mecklenburg-Vorpommern, the Hanseatic and University City of Rostock and

ROSTOCK PORT in September 2018. The aim is to start the test operation as soon as possible.

#### Rostock-Warnemünde cruise terminal in times of corona

The 2020 cruise season at the Warnemünde cruise port was to start on 24 March with the arrival of the passenger vessel *Boudicca* of British Fred Olsen Cruise Lines. All told, 207 port calls by 44 cruise vessels were expected this year. 188 times the ships were to berth in Warnemünde and 19 times at the overseas port. As a result of the global coronavirus pandemic, cruise shipping has ground almost to a complete halt and not one cruise vessel came to Warnemünde in the first six months of 2020. Rostock-based shipping company AIDA Cruises plans to restart cruise shipping on 12 August from Warnemünde with short trips in the Baltic Sea. „Over the last decades Rostock-Warnemünde has steadily developed into a port of call for cruise passengers from near and far. With the new terminal building ‚Warnemünde Cruise Center 8‘ and the upcoming start of operation of the shore power installation we are launching a much improved service offer and giving a strong impetus for the restart of tourism on the high seas. But the corona crisis will continue to leave a deep mark on passenger traffic and on some segments of cargo handling also in the second half of the year due to travel restrictions, disruptions in logistics and interrupted supply chains“, says Jens A. Scharner.

For further information please go to [www.rostock-port.de](http://www.rostock-port.de)