

DECISION

Date/Datum

30.04.2024

Dnro/Dnr

TRAFICOM/155645/05.00.29.00/2024

Reference/Referens

Imposition of a public service obligation regarding the operation of air services on the route Pori–Helsinki

Authority

Finnish Transport and Communications Agency Traficom (hereinafter Traficom)

Competence and relevant legislation

Pursuant to section 172 of the Act on Transport Services (320/2017), Traficom has the authority to issue decisions regarding the public service obligations referred to in Article 16 of the Air Services Regulation. Traficom may impose restrictions on a route covered by the public service obligation in accordance with the Air Services Regulation if such restrictions are necessary in order to ensure the provision of air services on the concerned route.

In accordance with Article 16(1) of Regulation (EC) No 1008/2008 of the European Parliament and of the Council on common rules for the operation of air services in the Community, hereinafter "Air Services Regulation," a Member State, following consultations with the other Member States concerned and after having informed the Commission, the airports concerned and air carriers operating on the route, may impose a public service obligation in respect of scheduled air services between an airport in the Community and an airport serving a peripheral or development region in its territory or on a thin route to any airport on its territory any such route being considered vital for the economic and social development of the region which the airport serves.

That obligation shall be imposed only to the extent necessary to ensure on that route the minimum provision of scheduled air services satisfying fixed standards of continuity, regularity, pricing or minimum capacity, which air carriers would not assume if they were solely considering their commercial interest.

Under Article 16(3), the necessity and the adequacy of an envisaged public service obligation shall be assessed by the Member State(s) having regard to

a) the proportionality between the envisaged obligation and the

economic development needs of the region concerned;

b) the possibility of having recourse to other modes of transport and the ability of such modes to meet the transport needs under consideration, in particular when existing rail services serve the envisaged route with a travel time of less than three hours and with sufficient frequencies, connections and suitable timings;

c) the air fares and conditions which can be quoted to users;

d) the combined effect of all air carriers operating or intending to operate on the route.

Background

On 12 November 2018, Traficom imposed a public service obligation in accordance with the Air Services Regulation on the route between Pori and Helsinki. The obligation was valid between 1 August 2019 and 23 December 2022. According to the decision, the operation of the route shall be tendered pursuant to the European Air Services Regulation and under the conditions provided by the City of Pori to Traficom, and the City of Pori shall provide public aid for the route operation. Traficom imposed a new service obligation for the route on 7 October 2022. According to the decision, this obligation shall be valid from 1 January 2023 to 31 December 2024. The competitive tendering shall be organised according to the provisions of the Air Services Regulation.

The Government states the following in its budget session minutes of 19 September 2023: The Government is developing Finnish domestic air services primarily on market terms, while also securing connections that are important to the security of supply, the export industry, and tourism. The Government shall secure regional flights by providing purchased air services until the end of March 2026. The provision of purchased air services shall continue for the following airports' air services: Joensuu, Jyväskylä, Kajaani, Kemi-Tornio, Kokkola-Pietarsaari. The State reserves funding for the provision of air services on the route to Pori in 2025, in line with the Savonlinna model, in connection with a potential new tender competition.

Under its decision of 5 February 2024, the City Council of Pori has committed to organising a joint competitive tendering for scheduled air services with Traficom. The City of Pori has reserved an appropriation for the procurement in 2025–2027.

The City of Pori has previously conducted a study to determine that the route meets the requirements for imposing a public service obligation in accordance with Article 16(3) of the Air Services Regulation. According to the report, the requirements are met.

Decision

By issuing this Decision, Traficom imposes a public service obligation in accordance with Article 16 of the Air Services Regulation on the route Pori–Helsinki.

Entry into force of the obligation

The obligation shall be valid from **1 January 2025 to 27 March 2027** (*the Option Period 28 March 2027–27 February 2028*).

Grounds for the Decision

Travel times with means of transport other than flying exceed three hours on the route Pori–Helsinki. The City of Pori has previously provided a report stating that Pori meets the requirements set in the Air Services Regulation. The report shows that air services play a significant role in the economic life and social and economic development of the regions concerned. The flight connections to Europe and Asia are particularly important. The route can be considered necessary for the accessibility of the region.

If no air carrier has, within two months or 61 days of the publication of the public service obligation in the Official Journal, demonstrated that it is about to commence sustainable scheduled air services on the route either directly or via a possible intermediate stopover point between the airports in accordance with the imposed public service obligation, the Finnish Government may limit access to the scheduled air services on the route to only one Community air carrier for the period defined in this obligation, after which the situation shall be reviewed.

Content of the public service obligation

Minimum number of flights

Pursuant to Article 16(2), the minimum number of connections between Pori and Helsinki is two daily return flights on weekdays from Monday to Friday, with the exception of midweek holidays, public holidays and individual weekdays between such holidays. In addition to the aforementioned flights, there is an option to operate separately agreed additional flights based on demand.

The obligation shall not apply during a 6-week summer break held between June and August.

Number of seats and baggage

The capacity on the flights shall be at least 29 seats /direction. Regardless of the duration of the journey, each passenger shall be allowed to bring 20 kg of checked baggage and 8 kg of cabin baggage.

Ticket prices and sales

A single one-way ticket between Pori and Helsinki shall not cost more than EUR 250, inclusive of all taxes and charges. A round-trip ticket shall cost no more than EUR 400, inclusive of all taxes and charges. The prices shall be inclusive of all charges imposed on the air carrier by Helsinki Airport and the airport of destination, but exclusive of charges collected by the authorities directly from air passengers departing from these airports. The price shall include any administrative fees.

The air carrier shall agree on an interline arrangement for the route covered by the public service obligation with at least one air carrier that offers weekly connecting flights from Helsinki Airport to at least two destinations in Europe either itself or through a partner.

The interline agreement shall be on the same or equivalent terms and conditions and shall follow, with regard to fares on the route, the pro rata system in accordance with international rules. The air carrier shall conclude interline agreements with the same or equivalent conditions with any other interested air carriers. The air carrier shall provide the City of Pori with any information it

needs for the purpose of supervising the interline agreements and their contents.

The air carrier shall have an international reservation and ticketing system operation in Finland and an IATA interline agreement with through-pricing and baggage-handling arrangements. Information concerning ticket prices and timetables shall be included in the international reservations and ticketing system.

At least one computer-based reservations system must be used.

Requirements set out by the airport operator Finavia Plc

The air carrier shall accept and agree to all terms and conditions of service defined by the airport operator Finavia Plc no later than 30 days before the start of operations.

Airports' approach requirements (ICAO Performance-Based Navigation)

Using the RNAV STAR or RNAV SID procedures requires RNAV 1 approval, and only the GNSS sensor is supported. In the terminal control area of Helsinki Airport, there is also support for DME/DME in RNAV STAR procedures.

All approach procedures in the PBN operating environment require RNP APCH approval. This includes the ILS and LOC procedures, as they base the initial, intermediate and missed approach on the utilisation of RNP. APV Baro-VNAV approach to LNAV/VNAV minima additionally requires APV Baro-VNAV approval. APV SBAS approach to the LPV minimum requires an SBAS receiver and approval.

Operation at and from the Pori airport, which is the subject of the decision, requires at least RNP APCH capacity and approval. If necessary, the operator must commit to invest in an aircraft so that it meets the requirements by the deadline.

Further information: <https://www.ais.fi/ais/aip/en/index.htm>

Continuity of service

Disregarding the aforementioned requirements of the public service obligation in operating services on the route in question may result in administrative and/or legal sanctions.

Passenger service and accessibility for persons with reduced mobility

The air carrier shall ensure that the provisions of Regulation (EC) No 261/2004 of the European Parliament and of the Council are complied with. The Regulation establishes common rules on compensation and assistance to passengers in the event of denied boarding and of cancellation or long delay of flights.

The air carrier shall ensure that the provisions of Regulation (EC) No 1107/2006 of the European Parliament and of the Council concerning the rights of disabled persons and persons with reduced mobility when travelling by air are complied with in the provision of air services.

Provisions applied

1. Regulation (EC) No 1008/2008 of the European Parliament and of the Council on

common rules for the operation of air services in the Community, Article 16

2. Act on Transport Services (320/2017), section 172

Enquiries:

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This document has been signed electronically. Finnish Transport and Communications Agency (Traficom) 30 April 2024. The authenticity of the signature can be verified by using document reader software that supports electronic signatures or by contacting the Traficom Registry.

Pentinsaari Pietari
Eklund Pipsa

Appendices

Instructions for requesting administrative review