

Intended for
SSAB Europe Ltd.
Raahen Satama Ltd.



Document type
Report

Date
March 2017

BOTHNIA BULK DEVELOPMENT PLAN RAAHE



RAMBOLL



Co-financed by the European Union
Connecting Europe Facility

BOTHNIA BULK DEVELOPMENT PLAN RAAHE

Revision **3**
Date **29.3.2017**
Made by **Matti Utriainen**
Checked by **Tuomo Pöyskö**
Approved by **Pekka Ala-Tuuhonen**

"Bothniabulk project is co-financed by the European Union's Connecting Europe Facility"

"The sole responsibility of this publication lies with the author. The European Union is not responsible for any use that may be made of the information contained therein."

1. EXECUTIVE SUMMARY

The development plan has been compiled for SSAB and Port of Raahe Ltd. The project has been accomplished in order to ensure logistical capabilities to meet current and future needs of all clients and other interest groups of the port. Environmental performance and product quality management in logistics are especially been taken into account.

The project has been performed together with interest groups with internal knowledge and with external functional and technical assistance by Ramboll. There have been several studies, technical surveys and planning in the port area, which have been made separately. These analyses were composed during the planning process. The development issues and new ideas accumulated during the process are presented in this document, to re-assess them and give recommendations accordingly.

SSAB has a fairly constant traffic expectation with slight increase for years to come due to the development of the steel factory. Port of Raahe is more dependent on 3rd party cargoes. Several new potentials/possibilities to increase the volumes of 3rd party cargoes were identified. Possible new cargoes are sawn timber transport, mining industry, iron pellet transportation, bio production and project cargo. Mustavaara metal production factory is waiting for the final decision.

Port of Raahe Ltd and SSAB are both located in the same harbor basin and companies are already taking advantage of synergies. There are facilities, equipment and people available for increasing 3rd party cargo traffic through Raahe. The main challenge is competitive situation. It was recognized that the current organization at the port with several companies makes it difficult to manage efficient marketing and sales procedures.

Lack of capacity is not an issue currently. Port of Raahe Ltd. has a lot of land and berth capacity available in the Lapaluoto port area. All berths seemed to be in a good condition according to several surveys made during the past years. The new deep water port is reclaimed for waiting new operations. SSAB would benefit a bit lengthened berth SL1 and SL2 in order to accommodate two larger vessels simultaneously. Also a larger covered storage area would help to operate intermediate storage at the port. Covered All Weather Terminal (AWT) storage and ship loading solution would be optimal, but this was not found economically feasible at the moment.

Port of Raahe has prepared preliminary planning of the fairway deepening to 12 m with a larger turning circle in the harbour basin. This might be required when developing the new deep water port area. Deepening the fairway would require investment decision from the Finnish Transport Agency.

Proposed prioritized measures:

- Organization issues, sales and marketing principles for 3rd party cargoes have to be dealt. The main solutions are setting up a new company or assistance in process to get an operator for the purpose.
- Current berths are generally in good condition but some are aged. Regular surveys are needed and SSAB should prepare themselves that major repair could be expected in 10 years' time.
- The hopper on the deep water bulk berth SL 2 requires more detailed planning for modification due to the new vessels and ability to berth two larger vessels simultaneously. Basically a new hopper should be connected to the conveyor.
- Deep water bulk berths SL1 and SL2 require widening of the harbour basin in order to utilise the berth length more efficiently. This is important due to the new bulk vessels expected to be in service 2018.

- The New deep water berth and yard area is ready for investments and there are some potential clients interested. This might need investments from Port of Raahe in the near future. This should be done in line with the Port Master Plan without impacting development of port activities and enlargement of the port in the future.
- Port of Raahe Ltd. and SSAB should participate actively for the ongoing spatial planning process for the new deep water area.
- All Weather Terminal (AWT) is not topical at the moment. Possible decision has to be based on requirement for quality of exported goods and possible future developments of SSAB logistics.

All Weather Terminal (AWT) is not topical at the moment. Possible decision has to be based on requirement for quality of exported goods and possible future developments of SSAB logistics.