

Imposition of a public service obligation in respect of scheduled air services on the route Helsinki–Savonlinna in 2023–2025

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), the Finnish Transport and Communications Agency has the authority to issue decisions regarding the public service obligations referred to in Article 16 of the Air Services Regulation. The Agency may impose restrictions in accordance with the Air Services Regulation on a route falling within the scope of the public service obligation if the restrictions are necessary for ensuring services on the 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.

Decision

The Finnish Transport and Communications Agency Traficom imposes a public service obligation in accordance with Article 16 of the Air Services Regulation on the route Helsinki–Savonlinna.

Period of validity of the obligation

The obligation is in force from 9 October 2023 to 19 December 2025.

Grounds for the decision

In the central government budget for 2023, EUR 1 million has been allocated to the air service to and from Savonlinna under the item 31.20.55 ("Purchases and development of public passenger transport services") in the administrative sector of the Ministry of Transport and Communications. According to the budget justifications, "air services can be purchased for regions where the travel time by train from Helsinki exceeds three hours. The purchases of scheduled air services ensure, in particular, connections necessary for business and industry. Local and regional actors will also contribute to the financing of the service routes in question. From September to December 2021, purchased services between Helsinki and Savonlinna served approximately 560 passengers. The contract for scheduled air service on the route Helsinki–Savonlinna was in force from 8 January 2018 to 18 December 2020, but the service was interrupted until further notice based on a contract amendment signed on 3 April 2020 and because of the coronavirus (Covid-19) pandemic. Due to the pandemic, passenger volumes were also low in 2020 (1,200 passengers). In 2021, Traficom and the City of Savonlinna put the air services out to tender again. The competitive tendering procedure concerned the period from 4 October 2021 to 20 December 2024."

If no air carrier has, within two months or 61 days of the publication of the public service obligation in the Official Journal of the European Union, demonstrated that it is about to commence sustainable scheduled air services on the route either directly or via a possible intermediate stop-over 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 flights between Helsinki and Savonlinna shall be six (6) round-trips per week, not including mid-week public holidays and the immediately preceding working days when

flights shall be operated in accordance with Friday schedules, public holidays and individual working days between holidays. Additional services may be agreed on separately according to demand.

Each year in August, the obligation shall be lifted for approximately two to three weeks. Any repairs and improvements of runways and other safety equipment as well as longer shutdowns for maintenance shall also interrupt the obligation.

Number of seats and baggage

Capacity on the flights shall be at least 21 seats per direction. Regardless of the duration of the journey, each passenger shall be allowed to bring 20 kg of checked baggage and 8 kg of hand baggage free of charge.

Ticket prices and sales

A single one-way ticket between Savonlinna and Helsinki shall cost no more than EUR 150. A round-trip ticket shall cost no more than EUR 220. These ticket prices shall include all applicable taxes and charges. The tickets shall include the possibility to make changes to the booking.

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 operates air services out of Helsinki Airport to at least two significant European destinations. 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 Finnish Transport and Communications Agency has the right to obtain from the carrier such information on interline agreements and their terms and conditions that are necessary for oversight purposes.

The air carrier shall have an international reservations 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 reservation and ticketing system.

Flights shall be sold through at least one computerised reservation system.

In addition to its own systems, the air carrier shall use in its marketing at least one international computerised reservation system for flights and other tourism services. The booking of flights shall be possible also in Finnish.

Requirements set by the airport operator Finavia Plc

The air carrier shall accept and come to an agreement about all terms and conditions of service defined by the airport operator Finavia Plc no later than 30 days before the start of operations. In its operations, the air carrier shall comply with the terms and conditions of service defined by Finavia Plc.

Continuity of service

The operation of air services on the route in question without regard to the above-mentioned public service obligation may result in administrative or criminal penalties.

Airport approach requirements (ICAO Performance-Based Navigation):

The use of RNAV STAR or RNAV SID procedures requires RNAV 1 capability. GNSS is the only sensor supported. DME/DME function is possible only at Helsinki Airport RNAV STAR procedures.

All approach procedures in a PBN based operational environment require RNP APCH capability, including ILS and LOC procedures, because in them the initial, intermediate and missed approach are based on the utilisation of the RNP functionality. In addition, APV Baro-VNAV approach to LNAV/VNAV minima requires APV Baro-VNAV capability. APV SBAS approach to LPV minima requires SBAS receiver and qualification.

Savonlinna Airport, which this decision concerns, only has a PBN based operational environment, i.e. no conventional instrument procedures are available. Flight operations to and from this airport require at least RNP APCH capability and qualification.

Passenger service

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.

Accessibility for persons with reduced mobility

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

Requesting for review

This decision may be subject to a request for an administrative review. The decision is accompanied by instructions for requesting an administrative review.

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C.C.

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Finavia Plc
ANS Finland Oy
Helsinki Slot Coordination
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Accompanying documents

Instructions for requesting an administrative review