

DECISION

Date
15 December 2020
Diary no.
TRAFICOM/522273/05.00.29.00/2020
Reference

Imposition of a public service obligation regarding the operation of air services on the routes Helsinki–Joensuu, Helsinki–Jyväskylä, Helsinki–Kajaani, Helsinki–Kemi and Helsinki–Kokkola

Authority:

Finnish Transport and Communications Agency Traficom (hereinafter Traficom)

Background

In late winter and early spring 2020, the Covid-19 pandemic had a significant impact on international and national air travel. As a result of the imposed travel restrictions and other consequences of the epidemic, the operation of flights on market-based terms was discontinued on the routes Helsinki–Joensuu, Helsinki–Jyväskylä, Helsinki–Kajaani, Helsinki–Kemi and Helsinki–Kokkola. Over the course of spring 2020, it also became clear that the airline that had operated the routes in question on market-based terms will not continue their operation after the pandemic subsides. The Minister of Transport and Communications, Timo Harakka, set up a working group to investigate the matter. Having completed its work, the group proposed that the Government purchase and finance the flights to the airports in question during a nine-month period from early April 2021 until the end of that year.

The central government budget for 2021 earmarks EUR 11.5 million for these scheduled flights.

In this Decision, Kemi refers to Kemi-Tornio Airport and Kokkola to Kokkola-Pietarsaari Airport.

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 on routes 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 routes.

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

By issuing this Decision, Traficom imposes a public service obligation in accordance with Article 16 of the Air Services Regulation on the routes Helsinki–Joensuu, Helsinki–Jyväskylä, Helsinki–Kajaani, Helsinki–Kemi and Helsinki–Kokkola.

Entry into force of the obligation

The obligation is in force from 1 April 2021 to 31 December 2021.

Grounds for the Decision

In the central government budget for 2021, EUR 11,500,000 are added to 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 budgetary remarks, these additional funds are allocated to supporting regional flight connections in the context of the coronavirus pandemic.

Travel times with means of transport other than flying exceed three hours on all of the aforementioned routes. Traficom has commissioned a report indicating that all of the

concerned locations fulfil the requirements set out in the Air Services Regulation. The report shows that air services play a significant role in the economic life and social development of the concerned regions. Furthermore, the routes can be considered essential with regard to access to the concerned regions.

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 routes 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 routes 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

The requirements of the public service obligation concerning the routes Helsinki–Joensuu, Helsinki–Jyväskylä, Helsinki–Kajaani, Helsinki–Kemi and Helsinki–Kokkola are as follows:

Minimum number of flights

Pursuant to Article 16(2), the minimum number of flights between Helsinki and Joensuu, Jyväskylä, Kajaani, Kemi and Kokkola shall be two daily round-trip services on working days from Monday to Friday, not including mid-week holidays, public holidays and individual working days between holidays. Additional services may be agreed on separately according to demand. During weekends, the number of flights shall be as follows: Jyväskylä and Kajaani four flights over the course of a weekend, Kokkola and Kemi two flights over the course of a weekend, and Joensuu seven flights.

With regard to the routes Helsinki–Joensuu and Helsinki–Jyväskylä, the minimum number of flights may be increased to three daily round-trip services from Monday to Friday for the period from 1 September to 31 December 2021, if demand has, during the first half of 2021, been restored to such an extent as to make the operation of additional flights appropriate.

Three daily connections may be operated on the routes between Helsinki and Kemi and Helsinki and Kokkola, if the flights are operated as triangle routes.

Number of seats and baggage

Capacity on the flights shall be as follows:

Helsinki–Joensuu, a minimum of 50 seats per direction

Helsinki–Jyväskylä, a minimum of 29 seats per direction

Helsinki–Kajaani, a minimum of 29 seats per direction

Helsinki–Kemi, a minimum of 29 seats per direction

Helsinki–Kokkola, a minimum of 29 seats per direction

If the flights to Kemi and Kokkola are operated as so-called triangle routes, the minimum number of seats shall be 50.

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. In addition, the carriage of special baggage (skis, sports equipment, instruments) must be possible on the routes.

Ticket prices and sales

A single one-way ticket between Helsinki and Joensuu, Helsinki and Jyväskylä, Helsinki and Kajaani, Helsinki and Kemi, and Helsinki and Kokkola shall not cost more than EUR 200, inclusive of all taxes and charges. A round-trip ticket shall cost no more than EUR 300, inclusive of all taxes and charges. Tickets sold for the flights in question must also allow for changes. Cheaper ticket categories must be available and account for at least 40% of all tickets. The prices shall be inclusive of all charges imposed on the air carrier by the Finnish Civil Aviation Authority, Helsinki Airport and Joensuu, Jyväskylä, Kajaani, Kemi and Kokkola airports and other actors, but exclusive of charges collected by the authorities directly from air passengers departing from these airports. Additional baggage, including ski bags etc., shall cost no more than EUR 20 per piece per direction, inclusive of all taxes and charges.

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 out of Helsinki Airport. 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 Finnish Transport and Communications Agency Traficom 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 luggage-handling arrangements. Information concerning prices and timetables shall be included in the international reservations and ticketing system.

The air carrier shall have a cooperation agreement covering through-pricing with at least one company that flies to foreign destinations from Helsinki Airport.

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

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 21 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

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

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.

The following airports concerned by this Decision only have the PBN operating environment, and conventional instrument procedures are thus not available. Operating from the airports requires, at a minimum, an RNP APCH capability and approval.

EFJO, Joensuu

EFKI, Kajaani

Finland's preliminary national PBN implementation plan proposes the following changes aimed at moving exclusively to the PBN operating environment:

EFKE, Kemi-Tornio 2021

EFKK, Kokkola-Pietarsaari 2022

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

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

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

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

Appeal

If you are unhappy with this Decision, you may file a claim for a revised decision. The relevant instructions and conditions are provided in annex to this document.

Enquiries

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This document has been signed electronically. Finnish Transport and Communications Agency (Traficom) XX December 2020. The authenticity of the signatures can be verified using document reader software that supports electronic signatures or by contacting the Traficom Registry.

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C.C.

Ministry of Transport and Communications

Finavia Plc

ANS Finland Oy

Helsinki Slot Coordination

City of Joensuu

City of Jyväskylä

City of Kajaani

City of Kemi

City of Kokkola

Annex

Instructions for filing a claim for a revised decision