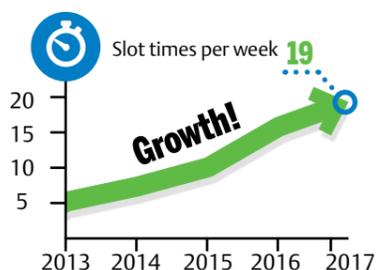


Destination Karlshamn NEWS is produced by Karlshamns Hamn AB to inform about the role of Karlshamn and its port as a node in southern Sweden for logistics and transportation.

# Growth!

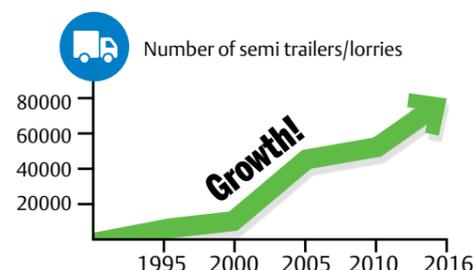
**The Port of Karlshamn is growing!** There are many examples of attractive growth curves. Throughout there is a shift from “tonnes to kronor” - meaning there is currently an increase in goods of a higher value and better qualified handling. These are some concrete examples of the growth areas;

## Rail traffic is increasing!



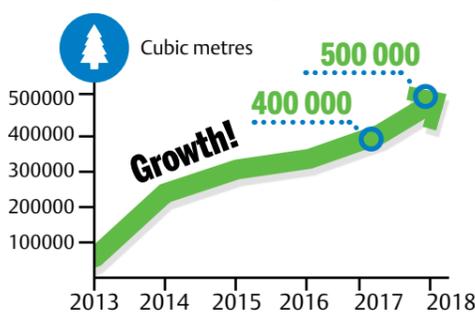
Green Cargo now looks at Karlshamn as the “main hub” in Blekinge and operates out of the Port of Karlshamn 10 times a week. VIDA’s own train calls at Karlshamn 5 times a week. SCT Transport operates between Karlshamn-Gothenburg once a week with a rail shuttle for containers.

## Ferry traffic is increasing!



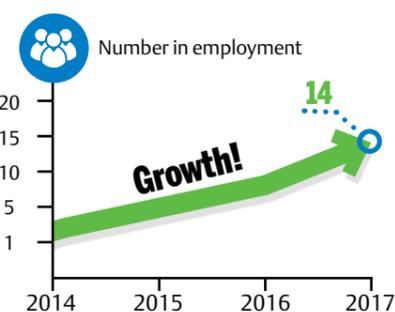
Karlshamn - Klaipeda is a real success line! Stable growth since the start in 2001 and continuously setting new records. 2016 is heading towards new records and the trend points towards a growth of 15%! A third ferry was added this year and at the start of next year a new project starts in the port for continued growth of the ferry traffic.

## Sawn timber goods are increasing!



In 2013 the Port of Karlshamn had a strategic goal to use customer focus to increase the volumes of sawn timber. VIDA was the first of the many companies since then to choose Karlshamn as their shipping port. According to VIDA Wood’s CEO, Måns Johansson, The Port of Karlshamn is the best fit for VIDA’s requirements and “a port with a positive confidence in the future, business thinking and a willingness to invest”.

## Value-raising handling is growing!



The Port of Karlshamn has since 2014 experienced good growth in the area of Terminal work or “value-raising handling”. This is qualified handling with total commitment where the Port of Karlshamn forms an active part in the customer’s logistics and works directly with the customer’s IT system.



Mats Olsson  
VD Karlshamns Hamn AB

## Wood Tech Port of Karlshamn is now starting: Wood treatment makes Karlshamn into a complete port for timber

Pressure wood treatment plant directly connected to the port!

This will be realised in the Port of Karlshamn when Lars Åström and his companion Per-Erik Liljenberg and their helpers soon start the new wood treatment plant in “Magasin 5” which is inside the harbour area and directly connected to the quays.

“It could not be more rational. The wood is transported here directly from the saw mills, then pressure impregnated and loaded directly onto the port’s trailers and then transported to the quay using the port’s terminal tractors for loading onto the vessels.

In monetary terms savings of 20-30 SEK per cubic metre are realised by removing one transport/handling operation to a separate wood treatment plant”, says Lars Åström. In addition the handling will be simpler, more flexible and more environmentally-adapted.



“A rail crossing will be built, to allow for a direct connection from the wood treatment plant to the quays”, say the companions Per-Erik Liljenberg, on the left, and Lars Åström, who are now starting pressure wood treatment in the Port of Karlshamn - Woodtech Port of Karlshamn AB!

More on the next page!

# National attention on the business focus of the port!

*“The Nord Stream 2 project has meant that Karlshamn and the Port of Karlshamn have been given a lot of attention lately.”*

*“Our attitude has always been that we ‘look at this like any other type of business’. We are, as always, focusing on the business and on achieving an optimal solution for the customer. This is where our competence and resources lie. The Nord Stream 2 project was intended to be a very large and good piece of business for the Port of Karlshamn.”*

*“But we are obviously conscious of the fact that the Nord Stream project has both national and international political and strategic security dimensions, which are managed at a political level. In this case, Nord Stream 2 is ‘not just any project’. A project which engages politicians like Merkel, Putin, Biden, Löfvén, Wallström and Nato, the EU etc. is not just any project. But it is, in our opinion, not reasonable that a matter where national and international leaders hold different perceptions, should be handled by the managers at the Port of Karlshamn.”*

*“The Port of Karlshamn is a large port, operating in an international environment. A variety of goods with a variety of different origins, owners and areas of use pass through all large ports.”*

*“The Port of Karlshamn is keen to adhere to all rules, regulations, laws and agreements that are applicable. But the Port of Karlshamn does not make its own laws. Neither do we have our own politics.”*

*“Our focus is on business and to see that optimal solutions for the customers bear fruit. We are experiencing good growth in many areas, and in recent years we have brought about a clear change in the emphasis of our business “from tonnes to kronor” in close collaboration with our customers.*

*Traditional handling of for example stone has consistently been replaced with more qualified handling that raises values for the customers. We have continuously strengthened and upgraded our resources and our competence within such areas. And we are pleased to say that these initiatives are well in line with our customers’ needs.”*

*“We continue to work with our business in focus!”*

Mats Olsson  
CEO Port of Karlshamn



# A ferry terminal is now allowing for growth

**Increased capacity, rational handling, quick automatic check-in, improved comfort and increased security with regard to parking and traffic. This will be the result of the development and upgrade of the ferry terminal at the Port of Karlshamn which will be undertaken starting at the beginning of next year.**

*“We have been working with the plans for the development of the ferry terminal for a long time. The tempo of the growth and forecasts for the future meant that the capacity had to be increased. During this stage the port is investing approximately 25 million kronor.”*

*“We have made a detailed study of the process, function and business in very close collaboration with DFDS. This process led to our finding very good solutions suitable for the conditions here. We also have a plan for further construction stages which will increase the capacity in line with the expected traffic,” says Peter Samuelsson, project manager at the Port of Karlshamn.*

#### WILL BE EXCELLENT

*“We are very happy about this solution at DFDS. It will be excellent,” says Lars Malmström, DFDS Seaways site manager at Karlshamn.*

*“We now have the capacity for continued growth for a number of years into the future. We can offer better comfort for the customers, smoother processing and heightened security.”*

#### AUTOMATIC CHECK-IN

The first thing you meet inside the new

ferry terminal is an automatic check-in gate where all the pre-booked cars are checked in simply and quickly.

The DFDS operation, which includes offices and space for drivers, and passengers will be put together and upgraded in conjunction with the existing DFDS office. Inside the terminal building, drivers and passengers will have service areas close to the vehicles.

*“This will be better and smoother for drivers and passengers. To have the whole of our operation in one place provides advantages both for us and for our customers”, says Lars Malmström.*

#### INCREASED SECURITY

The enclosed terminal area will be increased to make space for more cars and trucks and security will be increased, new surfaces will be asphalted and the area re-organised to make the flow more rational, safer and more customer-friendly.

#### GREATER CAPACITY

The docking capacity at the ferry terminal will also be increased. Currently an upgrade is taking place to provide space for larger ferries at both roro-ramps. Further increase in the docking capacity is currently at the planning stage.



Continued from page 1

## “Constructing the perfect plant”

### A PERFECT PLANT

“And finally we can build ‘the perfect plant’”, Lars continues. He comes from Alvesta, is well known to the industry and has worked with pressure impregnating since 1986, as pressure impregnator, operational manager and part owner. He is now starting the privately owned company Wood Tech Port of Karlshamn AB and is optimistic about the development.

“This is what the customers want”, says Lars. “The interest from both large and small customers is enormous. I first intended to start this a couple of years back and the customers have almost been impatient. There have been some different alternative solutions and placements, but the one we have got is really optimal in every way. I expect we

will transport at least 50,000 cubic metres during the first year.”

### GOOD PROSPECTS

The market prospects for wood treatment are good. Of the total volume being exported, the proportion which is impregnated now is 15-20 per cent and increasing on an ongoing basis. To Great Britain, which is the dominant timber destination from Karlshamn, all construction timber must be impregnated for protection.

### SWEDEN’S BIGGEST CHAMBER?

The plant has two pressure chambers. One chamber with an annual capacity of approximately 3,000 cubic metres under normal operating conditions (20 m<sup>3</sup> per run). The other chamber is one of the largest of its type in the country, if not the

largest, with a capacity of 60 m<sup>3</sup> per run or 100,000 m<sup>3</sup> per year.

“Given this capacity and our flexibility, we can quickly process large volumes when the customers require”, says Lars Åström.

### MEETS THE HIGHEST ENVIRONMENTAL REQUIREMENTS

“It also feels good to construct a plant that meets and in many cases exceeds the environmental requirements. It is important to us and is becoming more and more important to our customers. We are building new from scratch; it is a closed system with the whole plant walled in.”

### GOOD COOPERATION

“Both the municipality of Karlshamn and the Port of Karlshamn have been fantastically good at



The Pressure Impregnators who built “the perfect plant”, (from the left) Robin Åström, Lasse Åström, Per-Erik Lilienberg and Mikael Ågren.

cooperation all the time,” says Lars Åström. Various alternatives have been discussed, but always in a positive and constructive manner.

“We now have a close and ongoing cooperation with the Port of

Karlshamn at all levels. Wood treatment has become an integral part of the logistics of timber exports. Everyone involved will be winners, the customers, us and the port.”

# now under construction or continued



*"This will be really great", says Lars Malmström, DFDS Seaways site manager at Karlshamn, on the left, and the Port of Karlshamn's project manager, Peter Samuelsson.*

## The Southeast Link important for Volvo Olofström

*"The development of the Southeast Link is very important for our operation in Olofström! Karlshamn is our port for Scandinavia with an opportunity for rail connections to China using the Trans Siberian Railway," says Magnus Nilsson, Site Manager of Volvo Cars' operation in Olofström.*

*"We are where we are. Efficient and secure transport is fundamental to ensure our factory can keep up with the competition in the longer term. This is also decisive for our position within the group, where the requirements for quality in transport are great."*

*"The development of the Southeast Link provides us with two important advantages. Firstly, this will be a necessary upgrade of the existing railway to Älmhult and the Southern Main Line, which does not currently have the right quality and is not electrified. The other advantage, from the development of the railway to the port in Karlshamn, will be that we achieve attractive connections both to the growing factories in China and to the new factories in the US," says Magnus Nilsson, who is one of several keen advocates in the region, such as IKEA and all the affected municipalities, for the development of the Southeast Link.*



*The process of realising the Southeast Link has been ongoing for many years and many representatives in the region are engaged in this. Many politicians are also engaged. The picture is from an information session in Karlshamn where the Municipal Commissioner Per-Ola Mattsson, the Regional Commissioner Christina Mattsson and the Volvo Manager Magnus Nilsson met with Karin Svensson Smith, who is a member of the Swedish Parliament and the chair of the Committee on Transport and Communications.*

## Great interest for goods via Karlshamn from the Chinese

*The Chinese are showing great interest in starting a transport link between China and Sweden and the Nordic countries via Karlshamn-Klaipeda. A large delegation from China visited Karlshamn during the summer and a further delegation was here recently.*

*"This is obviously very positive and interesting in many ways, if this gets going", says Peter Samuelson of the Port of Karlshamn.*

### DAILY CONNECTIONS

From the Chinese standpoint, they are interested in Karlshamn due to the excellent infrastructure of a rail track to Klaipeda and the daily connection between Klaipeda and Karlshamn. Then operators such as Green Cargo will be able to reach the whole of Sweden and even Norway within a couple of days from Karlshamn. This provides the opportunity for competitive lead times from

door to door with the added advantage of an environmental profile.

### LARGEST COMMERCE

Sweden is the country in Scandinavia which has the greatest commerce with China. Containers from Sweden that are transported to China via Karlshamn-Klaipeda can be sent by rail directly from Klaipeda, since Lithuania has Russian track gauge. If you despatch via for example Germany, you have to unload and reload in eastern Poland, since there are different track gauges in western Europe and the former Soviet Union.

The Chinese delegations, which visited Karlshamn, have also been given the opportunity to make contact with Swedish exporters and transport operators at presentations and networking sessions. Many Swedish businesses have a need for a complementary service for some of their transports, with lead times in between transport by sea and air.



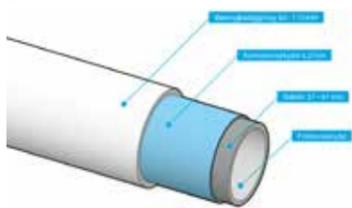
*A large delegation from China visited the Port of Karlshamn this summer and recently carried out a follow-up visit to Karlshamn. Last summer's group was made up of the Chinese railway Sinotrans, the Chinese Freight Forwarding Association, logistics operators and port agents, among others. Representatives from some of the largest exporters in Sweden, Scandinavia's largest railway operator; Green Cargo and the shipping company DFDS Seaways that operates between Karlshamn and Klaipeda also participated.*



# Nord Stream 2 – a gigantic logistics apparatus with Karlshamn as an important node

The Port of Karlshamn has been chosen as one of two Swedish ports for the Nord Stream 2-project. The intention is that pipes for the natural gas pipeline, planned to be laid in the Baltic Sea between Russia and Germany, are to be stored and shipped from Karlshamn.

and has an inner diameter of just over 1.1 metres. The steel pipe is protected on the outside by a 60-110 mm thick concrete coating. The plan is to handle approximately 30,000 pipes via Karlshamn.



In total the requirement is for 200,000 steel pipes for the two pipelines for the whole of the 1,200 km line between Narva Bay in Russia and Lubmin on the Baltic coast of Germany. Every pipe is 12.2 metres long, weighs up to 24 tonnes

## WITHIN 100 NAUTICAL MILES

“Karlshamn has been chosen because of the ideal location in relation to laying the pipeline and because there is sufficient storage

area there”, says Ludwig von Müller Senior Engineer Logistics at Nord Stream 2. No more than 100 nautical miles (185 km) is the target length from the different ports along the Baltic Sea out to the pipe laying ships which are planned to be used for the project. Karlshamn will be delivering pipes for the southern part of the pipeline within the Swedish economic zone.

The project's contractor is the project company Nord Stream 2 AG with its head office in Zug in Switzerland. The project, which has been calculated to cost approximately 8 billion Euro, is privately financed and managed by a team of up to 200 experts from more than 20 countries. Nord Stream 2 has chosen the Wasco Coatings Europe BV of the Netherlands as the partner for the logistics and concrete coating work.

## LOGISTICS IN TWO PHASES

The logistics via Karlshamn are divided into two phases, which are

unlikely to be carried out in parallel. During the first phase, pipes will be transported on ships from Mukran in Germany to Karlshamn where they will be stored. During the second phase, the pipes will be transported using pipe carrying vessels from the port out to the pipelaying ship. The distance is equivalent to what a pipe carrying vessel can undertake in one day there and back. The handling in the port will in the main be carried out using special equipment supplied by Wasco Coatings. Laying the pipeline will be carried out 24 hours a day.

## PLANNED START DURING THE MIDDLE OF 2017

The schedule as it stands at present means that pipes will be stored as from the middle of 2017, and then shipped out to the place of fitting in the Baltic Sea at different times during 2018 and 2019. In total this means an intensive two-year period for the Port of Karlshamn. No con-

tinued operation of the project will be carried out from Karlshamn once the natural gas pipeline is in place and under operation.

## BIG BUSINESS FOR THE PORT OF KARLSHAMN

“This can become big business for the Port of Karlshamn. It is also a project that means we can employ an additional 50-60 persons during part of the project time. And further people will become engaged in the peripheral and service activities in local businesses”, says Mats Olsson, CEO of the Port of Karlshamn.

“Earlier this year we purchased approximately 200,000 square metres of land from the local authority. That is a strategic investment in the future. We must have this land in order to continue to expand. This land will also quickly be of use to the Nord Stream 2-project and for the planned wind farm at Hanö”, says Mats Olsson.



The pipes in the 1,200 km pipeline are 12.2 metres long, have an outer diameter of approximately 1,300 mm, an inner diameter of 1.153 mm and weigh up to 24 tonnes each. 30,000 of the total of 200,000 pipes are planned to go via the Port of Karlshamn.

Ulf Sandevärn, Marketing Manager at the Port of Karlshamn, beside a test pipe.

# Certified part of the customer's logistics

This is an operation that is very different from the traditional operations of a port. It requires a different type of competence, for example when it comes to computer skills. This requires more knowledge of logistics than boatmanship. Almost everyone employed in this is newly recruited”, says Peter Anderson, works manager for the Terminal at the Port of Karlshamn.

“To us it is very stimulating to work in integration with the customer.”

## THIS IS HOW A DEVELOPED COLLABORATION CAN FUNCTION;

“Our staff are certified by the customer so they can work directly in the customer's IT system.”

“We represent a complete stage of the customer's logistics chain; we receive goods in complete batches, store, pack containers in accordance with the customers pick-lists and delivery plans and complete all the documentation necessary.”

## MANY ARTICLES ARE STORED

“We are storing 2-300 different parts. Goods arrive directly from the customer or the customer's subcontractor. This means that the customer does not need to have a temporary storage facility. Containers are sent to different destinations, both in Sweden and other places in the world.”

## MORE COMPANIES ARE INTERESTED

This operation has increased considerably since 2014. Two persons were employed in 2014, 7-8 persons are employed in 2016 and it is calculated that another 5-6 persons will be needed next year. The market interest in this rational solution is great.

## LOGISTICS KNOWLEDGE IS A REQUIREMENT

“These are attractive jobs for those who wish to work independently with great personal responsibility. The precision of our handling is completely decisive for the customer and for the production where the parts are sent.”

The Port of Karlshamn packs containers in accordance with the customers pick-lists and delivery plans and completes all the documentation necessary.

“This is very efficient in many ways. We have both the resources and the accumulated knowledge,” says works manager Peter Anderson of the Port of Karlshamn.

