

ADDING ATTRACTIONS TO BUSIEST PORT

The Port of Tórshavn remains the top import and export hub of the Faroe Islands even as container traffic increases and cruise tourism inches upward in the country's largest passenger gateway—while a new business center opens.

Port of Tórshavn

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The Port of Tórshavn is the largest and busiest in the Faroe Islands.

Recognized as a base for North Atlantic fishing fleets, a focus for the nation's container and ro-ro ferry traffic and a growing summer call for cruise ships.

The port offers an unrivalled concentration of quality maritime services and expertise at its four main harbour areas, all of which are ISPS compliant, manned 24 hours a day.

Tórshavn: Container and ro-ro terminal; 1,575 meters of total berth space; 45,000 square m of open storage space; shipyard with high-capacity slipway; entrance channel 160 m, water depth 7 to 10 m.

Sund: Industrial harbor with a total 215 m of dock (one berth of 150 m, one of 65 m); water depths 7 to 8 m; area for development: 25 000 sq. m.

Kollafjørður: Home to one of the world's largest freezing plants for pelagic fish; processing plant for salmon; BIP (EU Border Inspection Point) approved, 10,000-tonne capacity cold storage facility; 560 m of total berthing space (260 m with 11.8 m water depth, 100 m with 9.3 m water depth).

Oyrareingir: Container terminal with ro-ro ramp; 150 m of dock with 11.8 m depth alongside; 50,000 sq. m developed storage area for containers and general cargo.

THE PORT OF TÓRSHAVN continues to experience growth in container traffic as its role of central hub for Faroese exports and imports of goods is consolidated, much through the combination of larger container ships calling at Faroese ports and increased use of trucking for domestic transports to reduce overall shipping time and fuel consumption.

According to chief financial officer Annfinn Hjelm, the port authority, the City of Tórshavn, is currently looking for ways to expand the port's capacity, in particular to offset space squeeze on the East Harbour container and passenger terminals and surrounding areas.

At the same time, in line with the City's stated goal of attracting more maritime related business, one of the old industrial buildings at the West Harbour is being renovated to the tune of 100 million DKK (13.4M EUR). The 7,100 square meter House of Maritime Industry is scheduled to open next winter, with only work on the interior remaining for completion as of this writing (April 2015).

"The House of Maritime Industry is looking great and the feedback coming from people is indeed positive," Mr. Hjelm noted.

"This is going to be a highly attractive venue for a wide variety of businesses related to the ocean, be it, for example, shipping, naval architecture, marine engineering, seafood, aquaculture, marine biotechnology, offshore energy, business consulting, or computer science. There are quite a few prospective tenants and we are looking forward to sign the first contracts. We are very pleased to provide opportunities for creating the first cluster of its kind in the Faroes."

While the East Harbour and the West Harbour are located in the Faroese capital itself, the Port of Tórshavn also comprises the Sund industrial harbor 10 kilometers to the northwest as well as the Oyrareingir container terminal alongside the Kollafjørður

fishing harbor located some 23 km northwest of Tórshavn.

SPIKING TRAFFIC

The Port of Tórshavn has long remained the busiest in the Faroe Islands and the largest, too. The East Harbour container terminal is regularly used by cruise liners in the summer season, while the adjacent roll-on/roll-off terminal primarily serves ro-pax ferries, all in all generating a throughput of 400,000 domestic and international passengers per year. With container traffic, however, representing the commercially most important segment and the economic driving force, the total number of ship calls in all harbor facilities under the port amounts to about 2,500 per year.

"What many people don't seem to notice is that this port is in fact the number one passenger hub in the Faroe Islands," Mr. Hjelm said.

"Taken together, our domestic and international passenger throughput totals about 400,000 per annum."

Whereas fishing vessels, both Faroese and foreign including large trawlers, have long called regularly at the Port of Tórshavn, offshore support vessels working in the oilfields West of Shetland represent a relatively new business segment. These vessels started to arrive more recently to receive services ranging from repairs and maintenance to provisioning and supplies, partly in response to an outreach effort by a con-



CFO Annfinn Hjelm.

sortium of Faroese businesses including the Port of Tórshavn.

"In our harbors, we offer an unrivalled concentration of quality maritime services and expertise," Mr. Hjelm added. "The four harbor areas under the Port of Tórshavn are the best served in the Faroe Islands and the only ones in the country to be manned 24 hours a day, 365 days a year. For example, we have never experienced a close-down because of bad weather conditions."

While imports to the Faroe Islands are overwhelmingly shipped by container, the mode of transport for exports can vary from container to ro/ro to break bulk, usually depending on the mix of market, destination, product, and price. Lately the containerization trend has returned to the export business.

"We had a period, during the EU boycott of Faroese fish products, where exporters were using different modes of transport; but it looks like containers, once again, are now being used increasingly."

Meanwhile cruise tourism, having stayed relatively stable at 45-50 ship calls per year, is hitting 63 this year in result of an astronomical phenomenon—a total solar eclipse that would plunge the Faroe Islands into black night at high noon.

"We received as many as eight calls from cruise ships for the spectacular occasion of the solar eclipse on 20th March," Mr. Hjelm said.

"Apart from that very special event, the number of cruise ships expected to call at the port this summer is 55, which suggests an upward trend."

View of the East Harbour; Rendition of the House of Maritime Industry (opposite).

