



REGIONAAL- JA
PÕLLUMAJANDUSMINISTEERIUM

Ferry Traffic in Estonia 2025

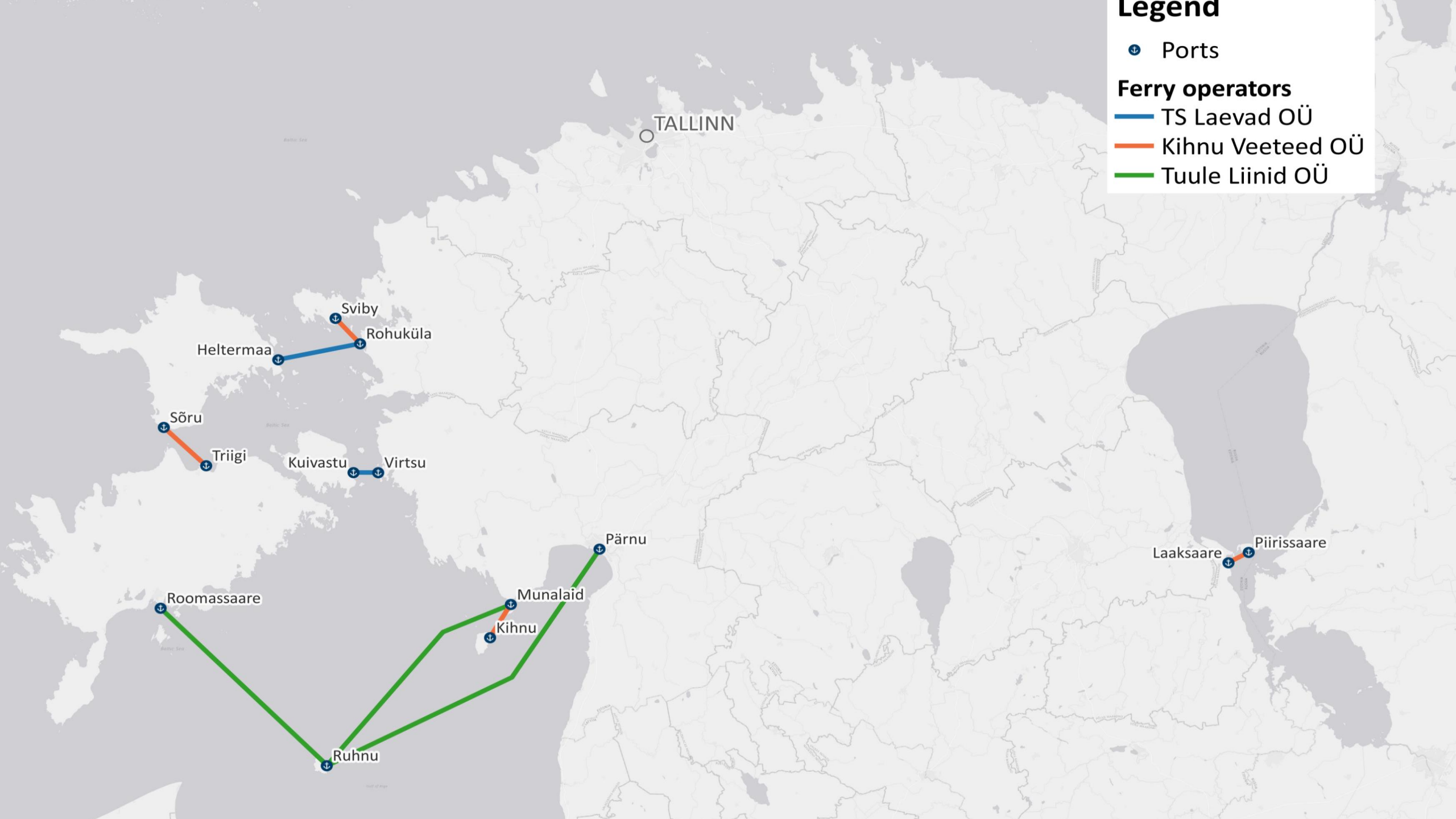
Ms. Annela Kornel

Republic of Estonia

Ministry of Regional Affairs and Agriculture

Legend

- Ports
- Ferry operators
 - TS Laevad OÜ
 - Kihnu Veeteed OÜ
 - Tuule Liinid OÜ



How works the financing of ferry routes?

$$\text{State subsidy} = \text{Total costs} - \text{Ticket revenue}$$

What does the **total cost** involves?

Charge per one trip
include fuel cost

Period charge
include port service,
labor costs, vessels
maintenance costs

Fix period charge
include
vessels
amortisation

Charges will be adjusted annually based on changes in the consumer price index, fuel price index, and wage index

State Subsidy Forecast for Ferry Routes

- 2024, the costs of ferry routes for servicing public service contracts, were €28.8 million
- 2025 costs are projected to be €30.1 million, which is 4.5% higher than the previous year.

Route:	State Subsidy € :	Passengers (2024): 2.69 million
Saaremaa	9 177 088	1 781 886
Hiumaa	12 937 830	680 490
Between Saaremaa and Hiumaa (Sõru-Triigi)	1 596 273	51 734
Ruhnu	992 436	8 763
Vormsi	1 694 796	77 537
Kihnu	1 984 264	87 185
Piirissaare	612 925	11 234

Overview of the management (1)

Competent Authorities:

- Ministry of Regional Affairs and Agriculture
- Ministry of Climate
- State Fleet (Riigilaevastik) - management of state vessels, execution of navigation marking and icebreaking operations
- Transport Administration (Transpordiamet) - supervision administration, it ensures that all ferry operations comply with safety regulations and standards
- AS Saarte Liinid - ensures the management and development of the state ports
- Local Municipalities

Regulations: Public Transport Act, Local Government Organisation Act, Maritime Safety Act, Port Act, Merchant Shipping Act

Overview of the management (2)

**Ministry of Regional Affairs and Agriculture
is responsible for domestic public transport:**

- concluding public service contracts with carriers and organizing public tenders to find carriers for ferry routes
- organizing the financing of scheduled transport from the state budget on ferry routes
- setting ticket prices for ferry routes

Overview of the management(3)

Ministry of Climate is responsible for:

- international public transport
- ensures maritime safety and marine environmental protection policies
- investments in infrastructure and fleet
- international cooperation projects

Overview of the management (4)

- The operation service in Estonia is operated by private companies
- **Highway extension** (maanteepikendus) = free rides for locals.

Estonian island ferry routes are not free of charge for passengers or vehicles.

The Problem is, that the state resources are limited and making such a financial commitment is beyond our power

How are service levels defined?

- **Transport volume** - The initial volume of the transport contract is determined in the tender, and the transport volume is agreed annually with the carrier, according to budgetary funds. The **contract volume** may change by **up to 20%**.
- **Contract length** – According to **Public Transport Act** a public service contract may be awarded for a term of up to **10 years**. We have generally signed 5-year contracts for the use of state vessels.
- **Schedules** - Prepares **carrier together with local municipalities**, who will confirm schedules. Routes, capacities are determined in procurement process. The goal is, for the schedule to best meet the needs of the community.
- **Reports** - Every month they submit report of costs and how many trips, passengers, and vehicles by category.
- **Crossing Time** - Reasonable crossing time range is specified in the public tender.

Future

- today's governance structure requires a lot of coordination between the Ministry of Climate and its subordinate agency, like State Fleet (Riigilaevastik)
- sustainable and environmentally friendly fuels for vessels
- improving frequency in schedules





REGIONAAL- JA
PÕLLUMAJANDUSMINISTEERIUM

Thank you for your attention!