



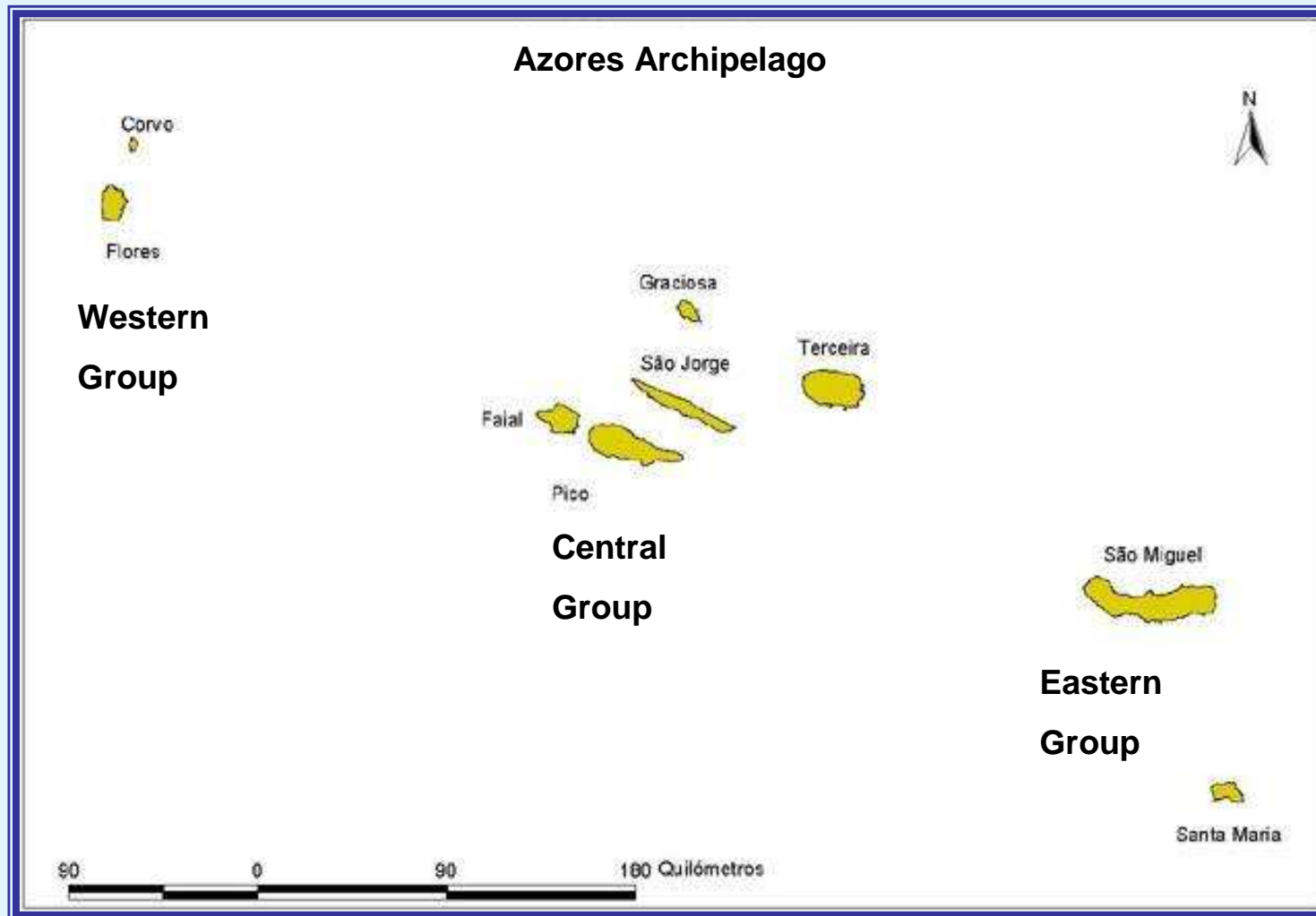
# Island Cabotage in the Azores Archipelago



# CHARACTERISATION OF THE AZORES ARCHIPELAGO



The Autonomous Region of the Azores (RAA) comprises nine islands located in the North Atlantic



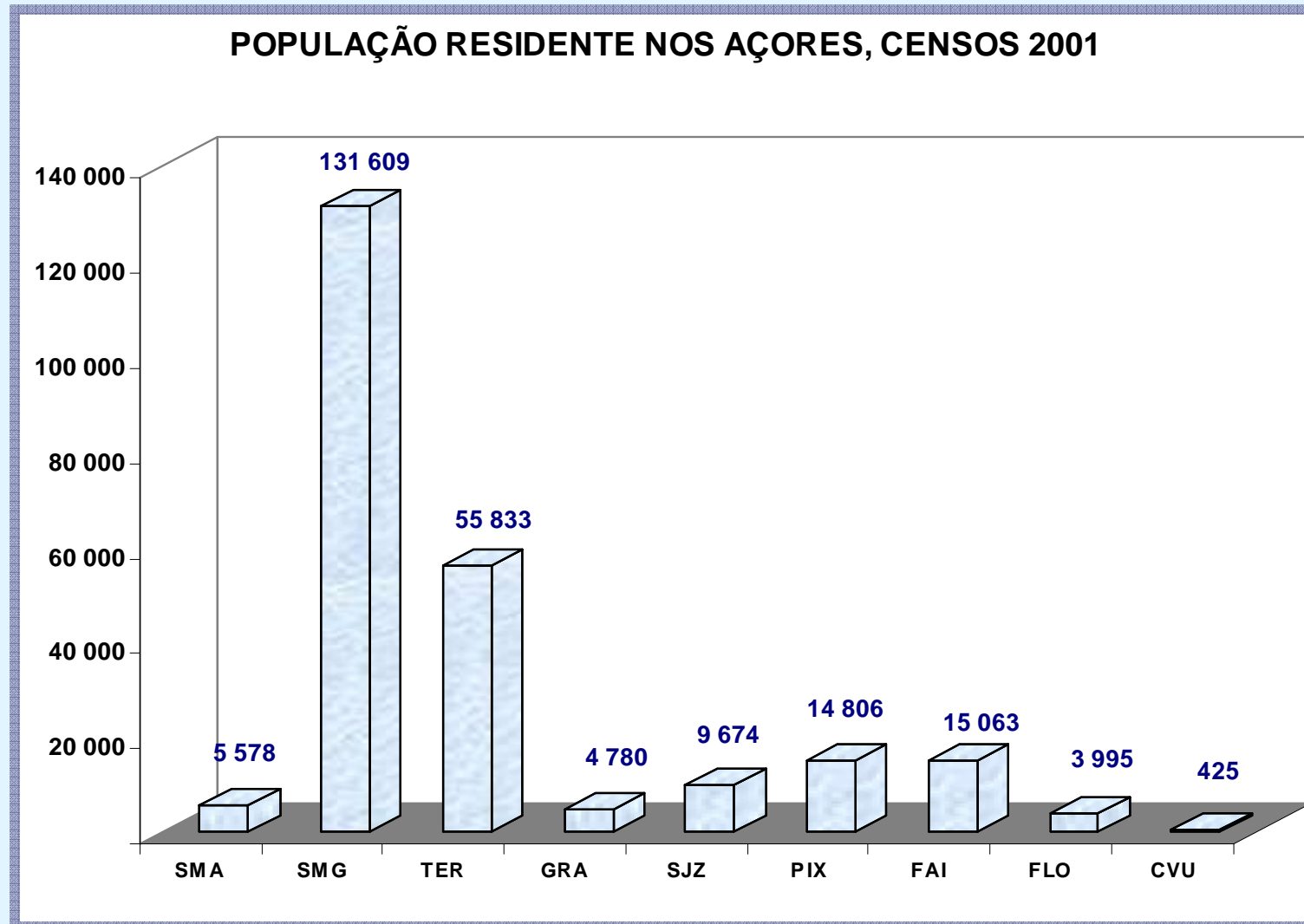


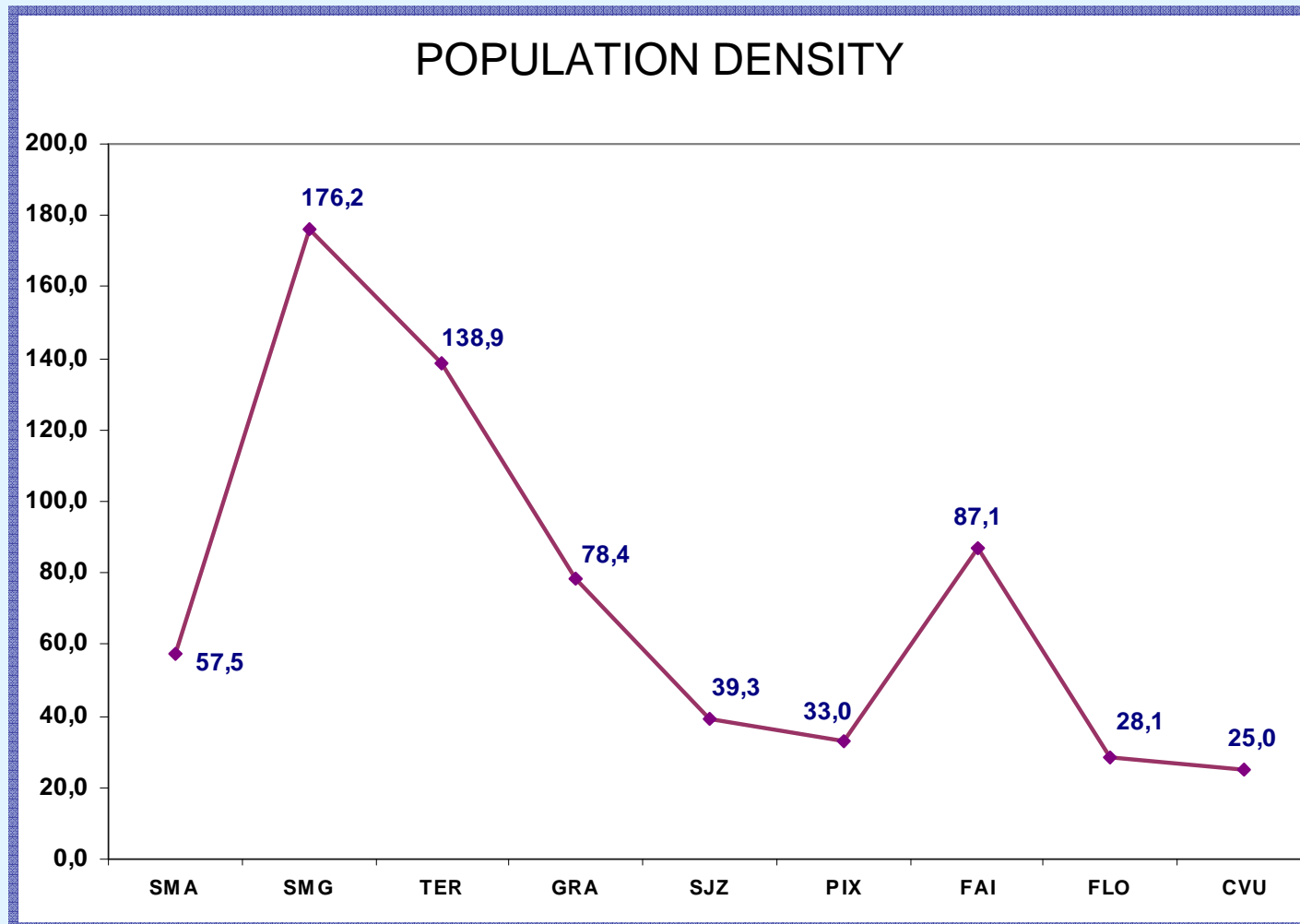
The islands are dispersed along a 600-km extension, from Santa Maria to Corvo, covering a total area of 2,333 km<sup>2</sup>.

They are located between the European Shelf and the American Continent, some 1,500km away from Lisbon, 700km from the Madeira Archipelago, 1,500km from the Canary Islands and 3,400km from the USA.



Population of the Azores (2001): 241,763 inhabitants.

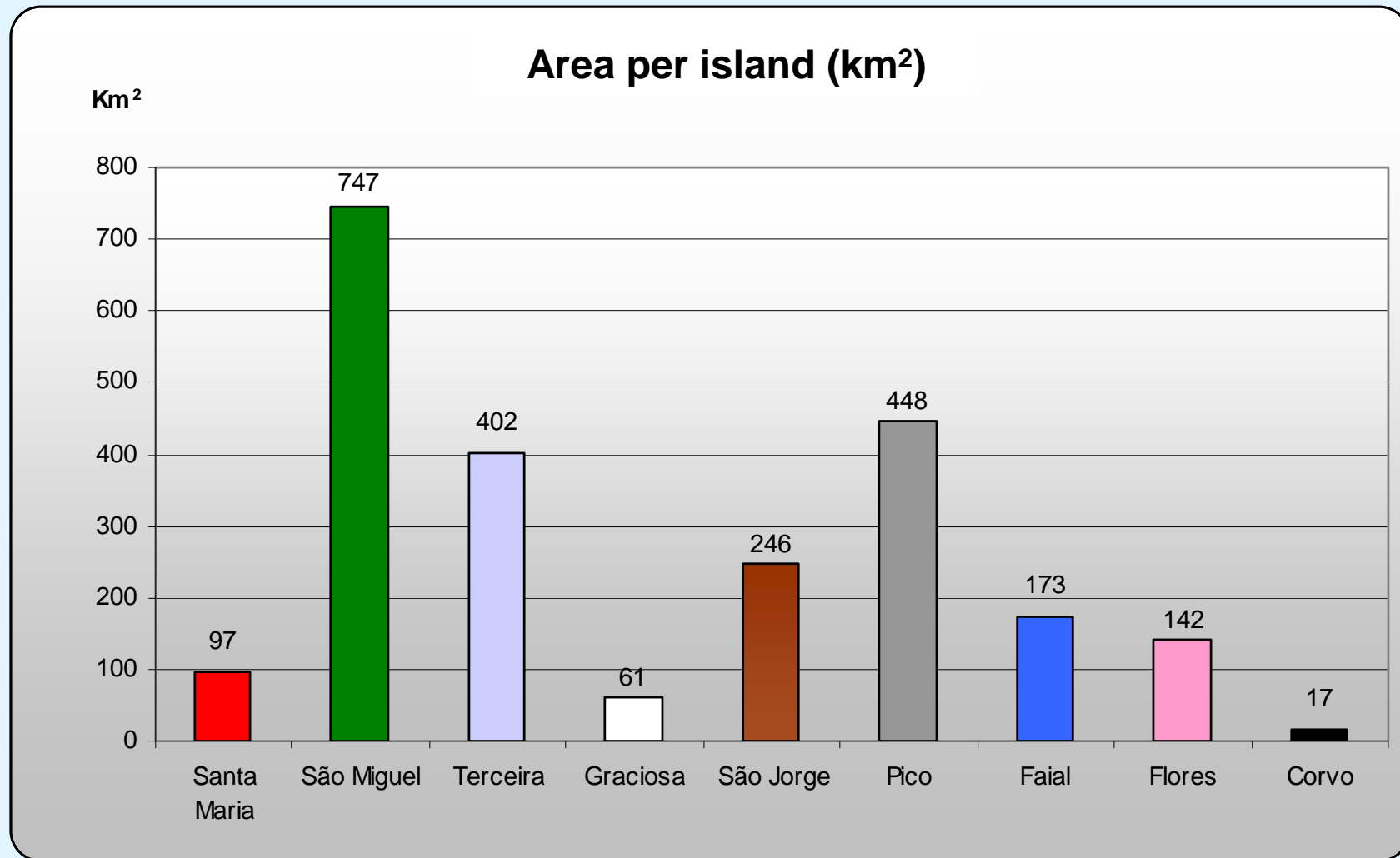




<b>Geographical Area of the Azores (km<sup>2</sup>):</b>				<b>2 333</b>	
SÃO MIGUEL	747	SÃO JORGE	246	SANTA MARIA	97
PICO	448	FAIAL	173	GRACIOSA	61
TERCEIRA	402	FLORES	142	CORVO	17






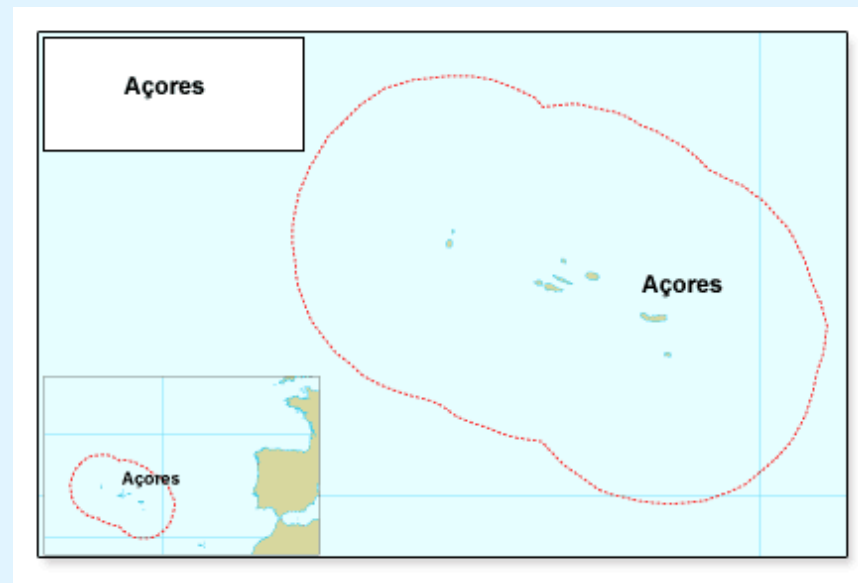
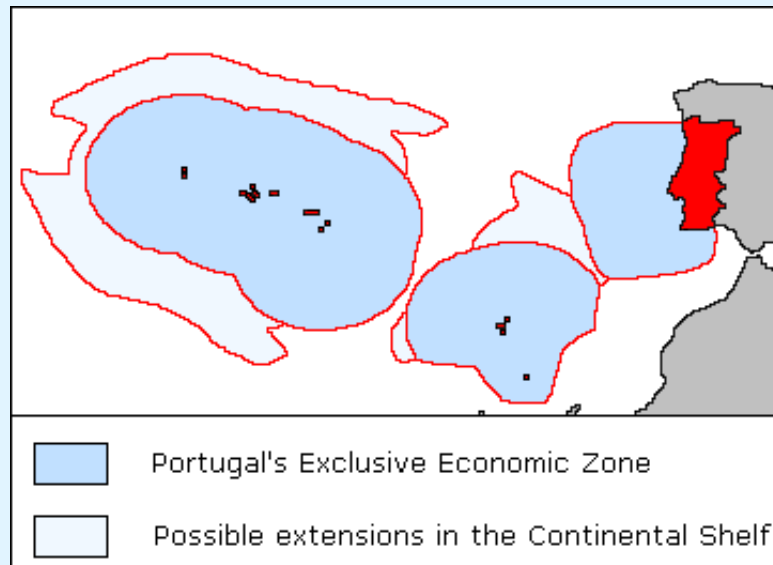
# Geographical Area of the Azores





The Azores feature one of Europe's largest Exclusive Economic Zones, with 953,633km<sup>2</sup>.

STATE / REGION	TOTAL AREA Km2	E.E.Z. Km2	%
 Portugal	92.391	1.727.408	
Azores 	2.333	953.633	55,21%
Madeira 	811	446.108	25,83%





## PORTS IN THE RAA

There are 13 ports managed by three publicly owned companies with specific powers defined by their geographical area of operation:

- Administração dos Portos das Ilhas de São Miguel e Santa Maria (A.P.S.M., S.A.): São Miguel and Santa Maria Islands;
- Administração dos Portos da Terceira e da Graciosa (A.P.T.G., S.A.): Terceira and Graciosa Islands;
- Administração dos Portos do Triângulo e do Grupo Ocidental (A.P.T.O., S.A.): Pico, São Jorge, Faial, Flores and Corvo Islands.

# Ports under the Management of each Port Authority



## ➤ A.P.S.M., S.A.:

- Ponta Delgada Port (S. Miguel Island)
- Vila do Porto Port (Santa Maria Island)

## ➤ A.P.T.G., S.A.:

- Praia da Vitória Port (Terceira Island)
- Angra do Heroísmo Port (Terceira Island)
- Praia da Graciosa Port (Graciosa Island)

## ➤ A.P.T.O., S.A.:

- São Roque Port (Pico Island)
- Madalena Port (Pico Island)
- Horta Port (Faial Island)
- Velas Port (S. Jorge Island)
- Calheta Port (S. Jorge Island)
- Lajes Port and Santa Cruz (Flores Island)
- Casa Port (Corvo Island)





# ISLAND CABOTAGE IN THE AZORES ARCHIPELAGO

# MARITIME CABOTAGE

(Regulation (EEC) No. 3577/92, of 7 December)



 *Mainland Cabotage* – carriage of passengers or goods by sea between ports situated on the mainland of a Member State without calls at islands;

 *Island Cabotage* – carriage of passengers or goods by sea between ports situated on the mainland and on one or more of the islands of the same Member State.



# ISLAND CABOTAGE

## *Support Mechanisms:*

(Article 4 (1) of Regulation (EEC) No. 3577/92, of 7 December)

 *Public Service Contract (PSC)*

 *Imposition of Public Service Obligations (PSO)*

# MARITIME TRANSPORTATION



*European Model* – Based in the intermodal combination of maritime, rail and road transportation.

*Azores* – Only possible means for the transportation of goods and a conditioned means for the transportation of passengers












# TRANSPORTATION OF GOODS

Model based on *Public Service Obligations*, under the following conditions:

- Free Market:
- No public financing;
- Supply of every island concerted between the different shipowners;
- Service provided with regularity, continuity, frequency and capacity.

# Public Service Obligations:



-  Operate weekly frequencies between the ports of the Mainland and of the Region;
-  Follow pre-defined routes;
-  Fortnightly stop on each of the islands;
-  Maximum of seven working days between the origin and the destination of the cargo;
-  Cargo stripping at the destination port;
-  Same freight for the same cargo, regardless of the destination port or island;
-  Provision of the service for a minimum of 2 years.



## Main National Shipowners

### (Transportation of Goods Azores/Mainland)

1. Transinsular – Transportes Marítimos Insulares, S.A.
2. Box Lines – Navegação, S.A.
3. Mutualista Açoreana de Transportes Marítimos, S.A.

# Transport Frequencies



Island	Port	Frequency	Shipowner
Faial	Horta	2 weekly	Transinsular Mutualista Açoreana BoxLines
Pico	S. Roque	2 weekly 1 weekly	Transinsular Mutualista Açoreana BoxLines
S. Jorge	Velas	1 weekly	Transinsular Mutualista Açoreana
Flores	Lajes	2 monthly	Transinsular (fortnightly) +1
Terceira	Praia da Vitória	3 weekly	Transinsular Mutualista Açoreana BoxLines
Graciosa	Vila da Praia	2 monthly	BoxLines (fortnightly) +1
Sta. Maria	Vila do Porto	2 monthly	Transinsular (fortnightly) +1
S. Miguel	Ponta Delgada	4 weekly	Transinsular Mutualista Açoreana BoxLines

**Remark:**

The ship "INSULAR" of Transinsular also operates 1/2 frequencies a year with the Region.



# Tariffs

- Regulation of Tariffs of the Autonomous Region of the Azores Ports approved by the Regional Secretariat of the Economy;
- Costs – Cover costs of the direct service and generate additional revenue for equipment and facility maintenance;
- Regional Port Investment depends on public financing (Community Funds and Regional Government).



# Tariffs

- Socio-economic reality of each island
- The regulation of the supply of all islands is a strategic key for territorial cohesion.
- The accessibility of all islands is fundamental for the economic and social sustainability of the archipelago.



# Freight and Port Cost

Designação	Cont. 20' €	Cont. 40' €
<b>Freight Cost:</b>		
FLT - Full Liner Terms	1.169,00	1.937,00
THC - Terminal Handling Charges	162,00	162,00
"BAF" Fuel cost per Ton	95,00	190,00
Documents	5,00	5,00
TUP Origin of Cargo (Lisbon or Leixões)	8,00	16,00
<b>Port Cost:</b>		
Port Fee - TUP Cargo	26,92	43,30
Machines – Delivery and Reception	21,42	42,83
Storage	3,02	6,04
	<b>1.490,36</b>	<b>2.402,17</b>

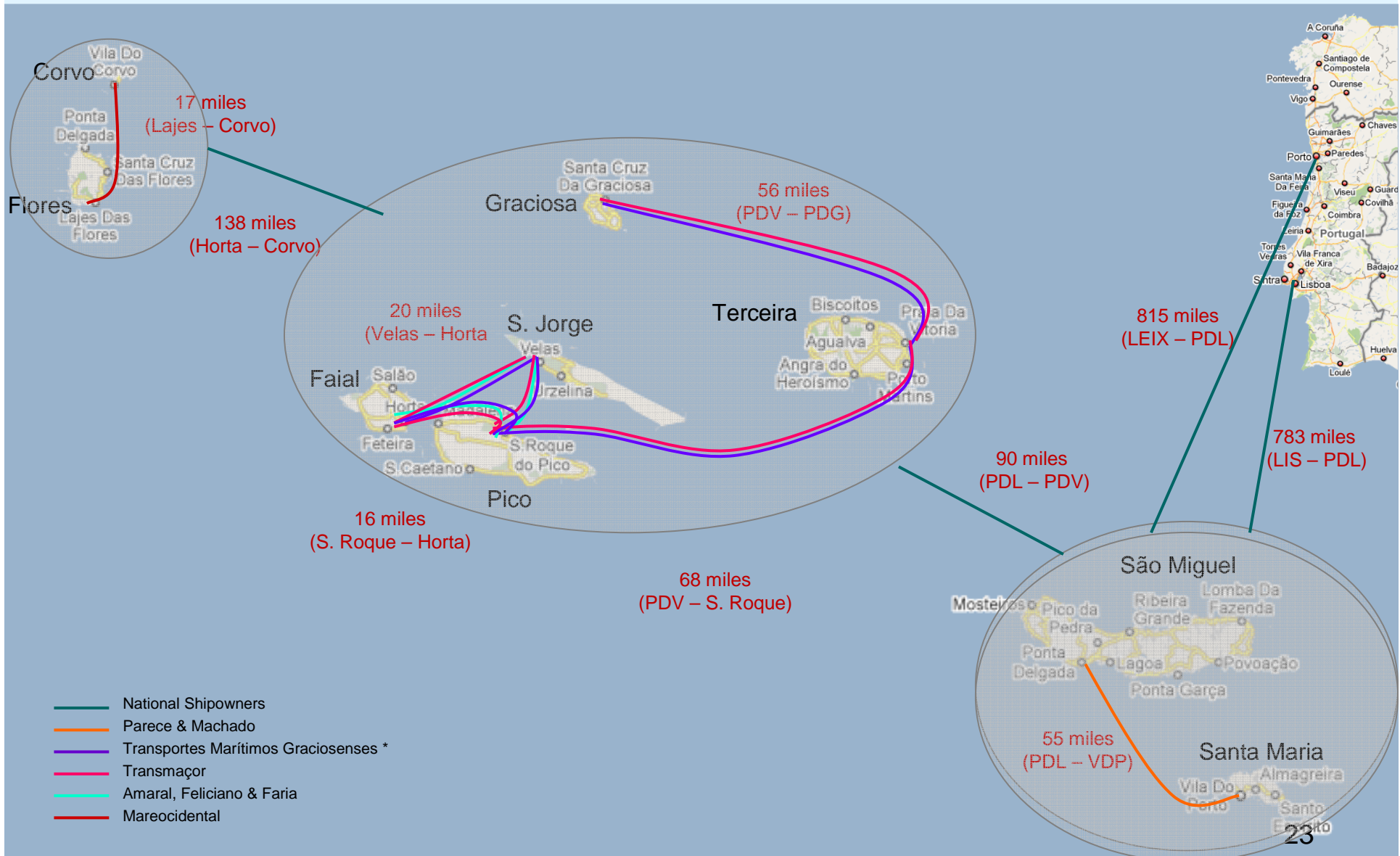


## **Inter-Island Maritime Transportation of Goods**

### **Local traffic Shipowners**

1. Transportes Marítimos Graciosenses Lda
2. Amaral, Feliciano & Faria Lda.
3. Transporte Marítimo Parece & Machado Lda.
4. – Mareocidental-Transportes Marítimos Açoreanos Lda.

# Cargo Transportation Model



\* According to article 5 of Decree Law No. 197/98, of 10 July, they are allowed to operate in the whole region.

# TRANSPORTATION OF PASSENGERS



Two distinct models:

## A. Transmaçor Lda.

- Contract with the imposition of Public Service Obligations;
- Provision of financial compensation due to the annual operational deficit;
- Maritime transportation during the whole year, but only in the Central Group;
- 3 year contract (2 + 1 year extension).

# PASSENGER TRANSPORTATION



## *A.1- Public Service Obligations*

- Guarantee the minimum number of frequencies defined;
- Guarantee a minimum capacity for each period;
- Use adequate ships;
- Apply reference fares with special conditions;
- Assure the service's continuity and on-time performance;
- Offer an efficient reservation and distribution system.

# TRANSPORTE DE PASSAGEIROS

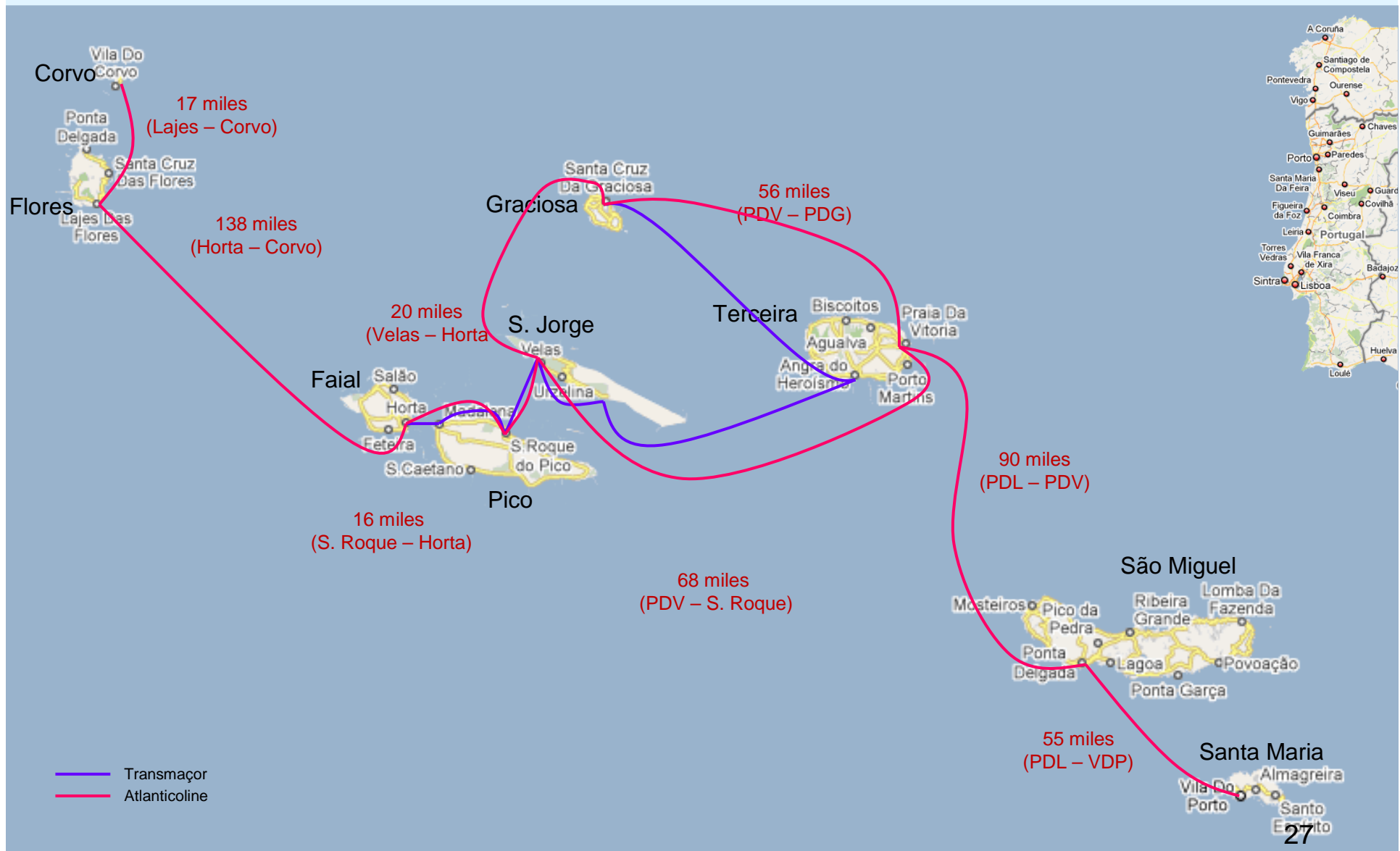


Two distinct models:

## B. Atlânticoline S.A. (publicly-owned company)

- Service Management Contract of General Economic Interest;
- Seasonal Maritime Transportation (from April/May to September/October) in the whole Archipelago;
- Fares and routes approved by the Regional Government;
- Financial allocation to compensate the operational deficit.

# Passenger Transportation Routes



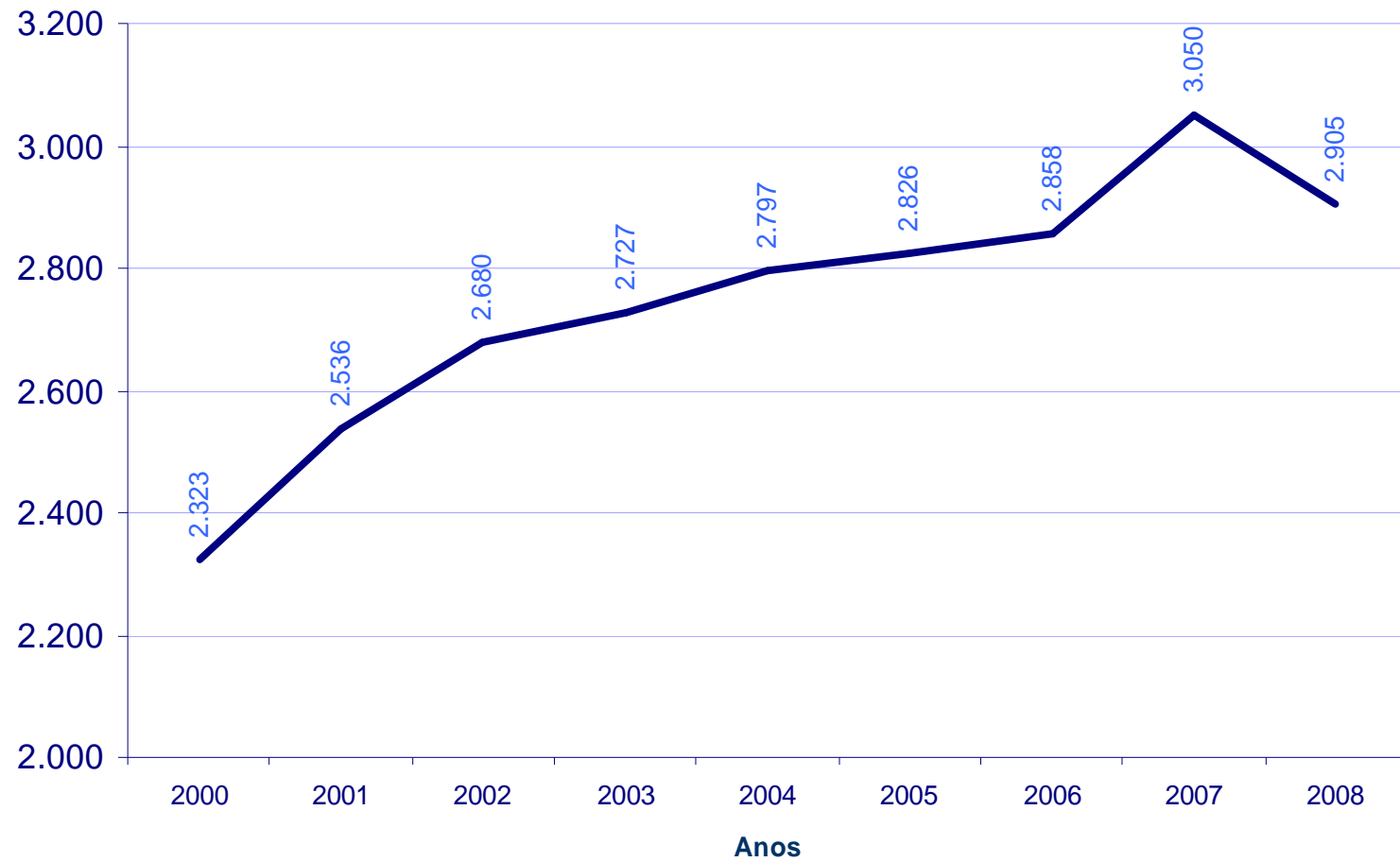


# STATISTICAL DATA FOR CARGO TRANSPORTATION



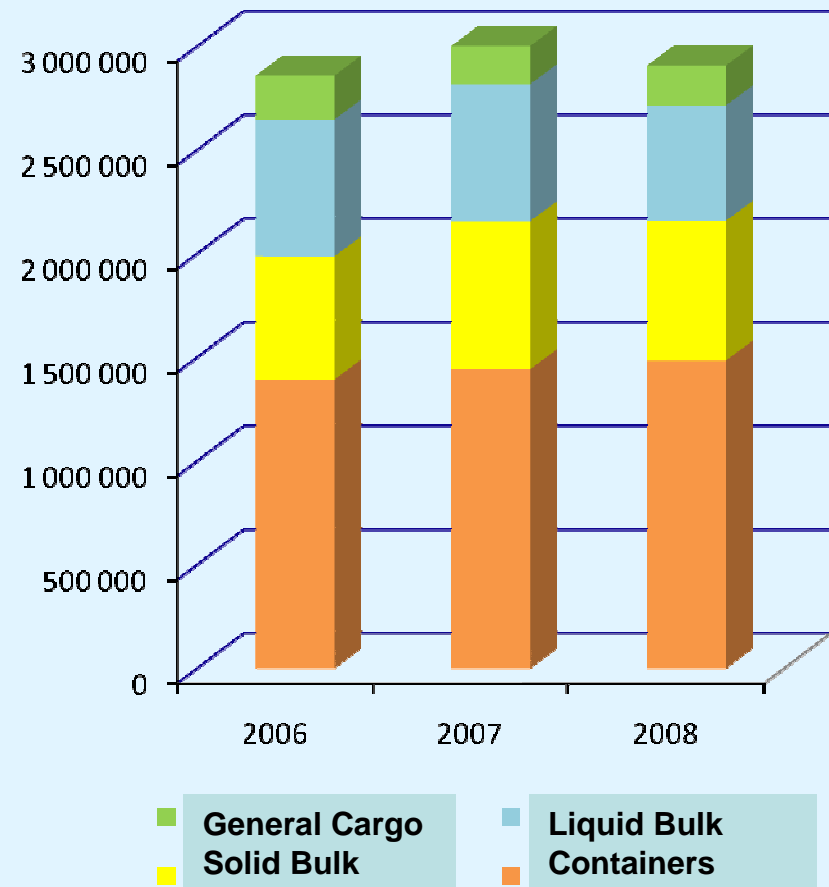
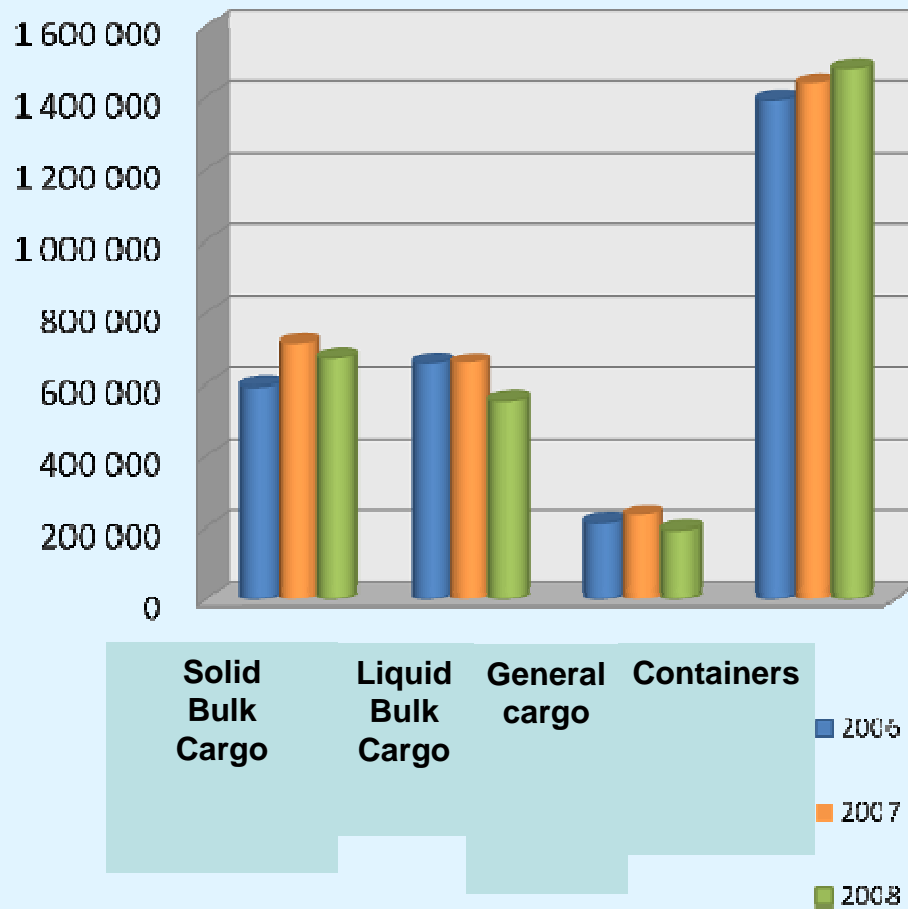
## TOTAL MOVEMENT OF CARGO IN THE REGION PER YEAR

Thousands of tonnes



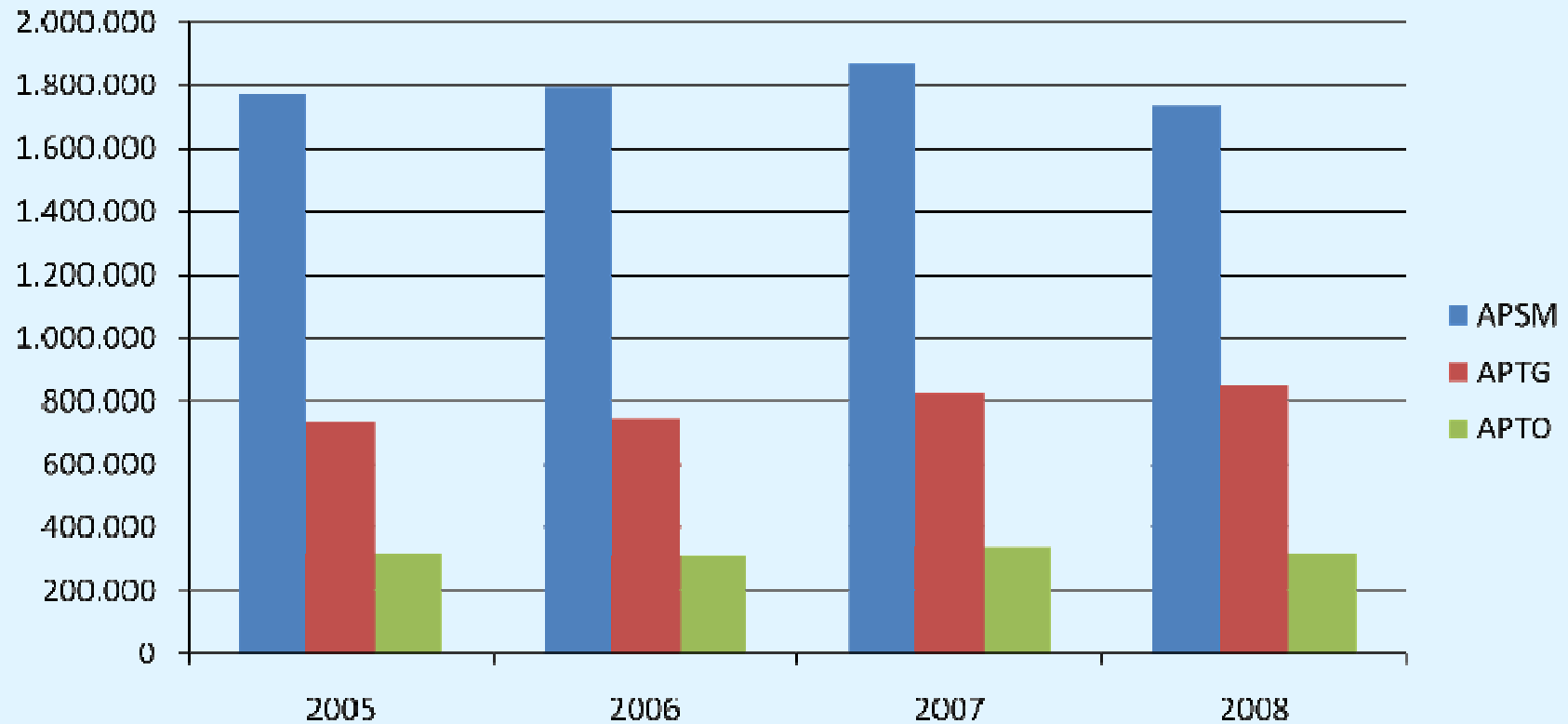


# Volume of Cargo by Type





# Movement of Cargo – Tonnes per Port Authority



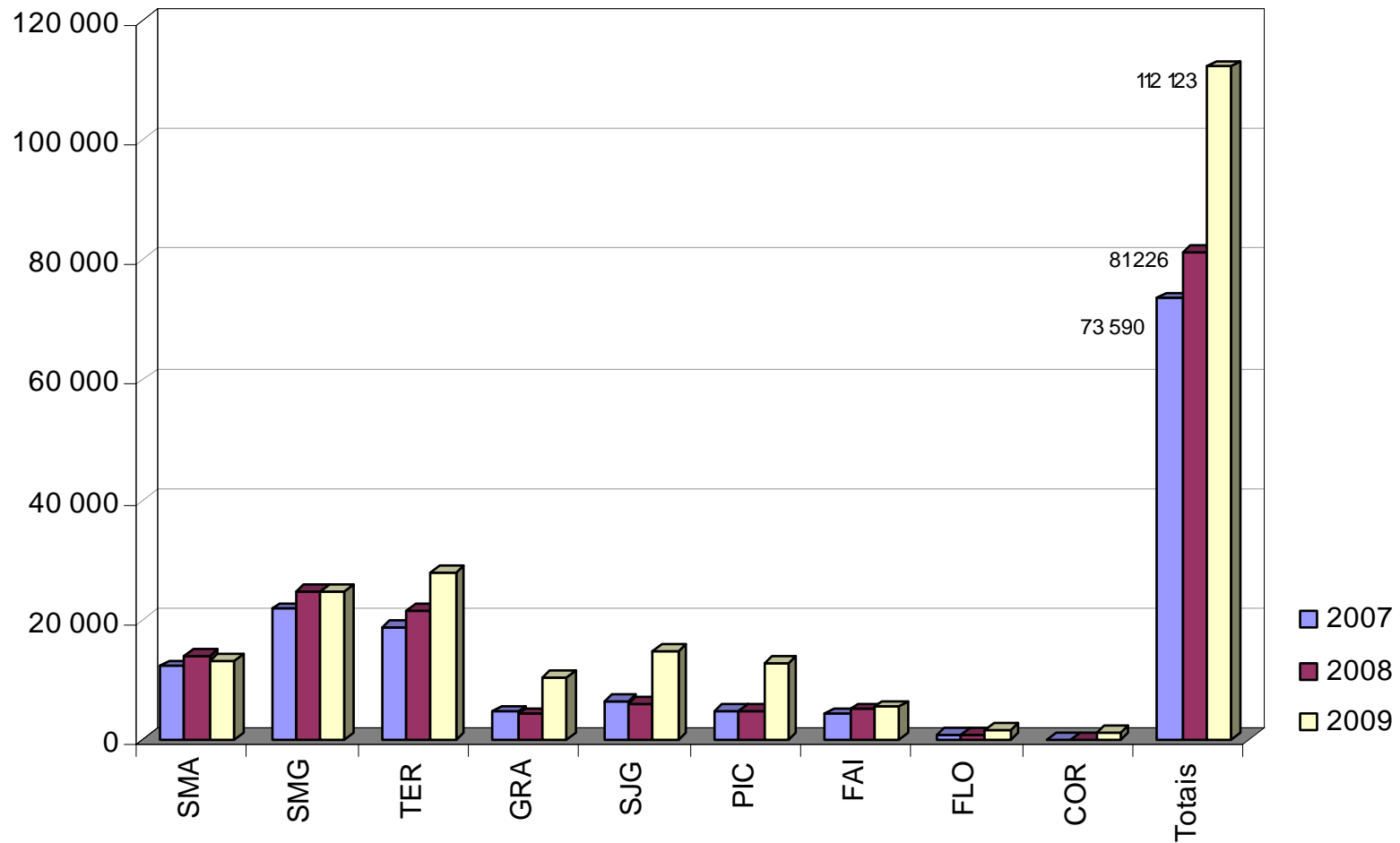
	2005	2006	2007	2008
<b>APSM</b>	1.771.114	1.788.243	1.869.925	1.736.170
<b>APTG</b>	734.974	746.331	825.607	849.252
<b>APTO</b>	319.469	312.971	337.724	320.021
<b>Total</b>	<b>2.825.557</b>	<b>2.847.545</b>	<b>3.033.256</b>	<b>2.905.443</b>



# STATISTICS FOR THE TRANSPORTATION OF PASSENGERS



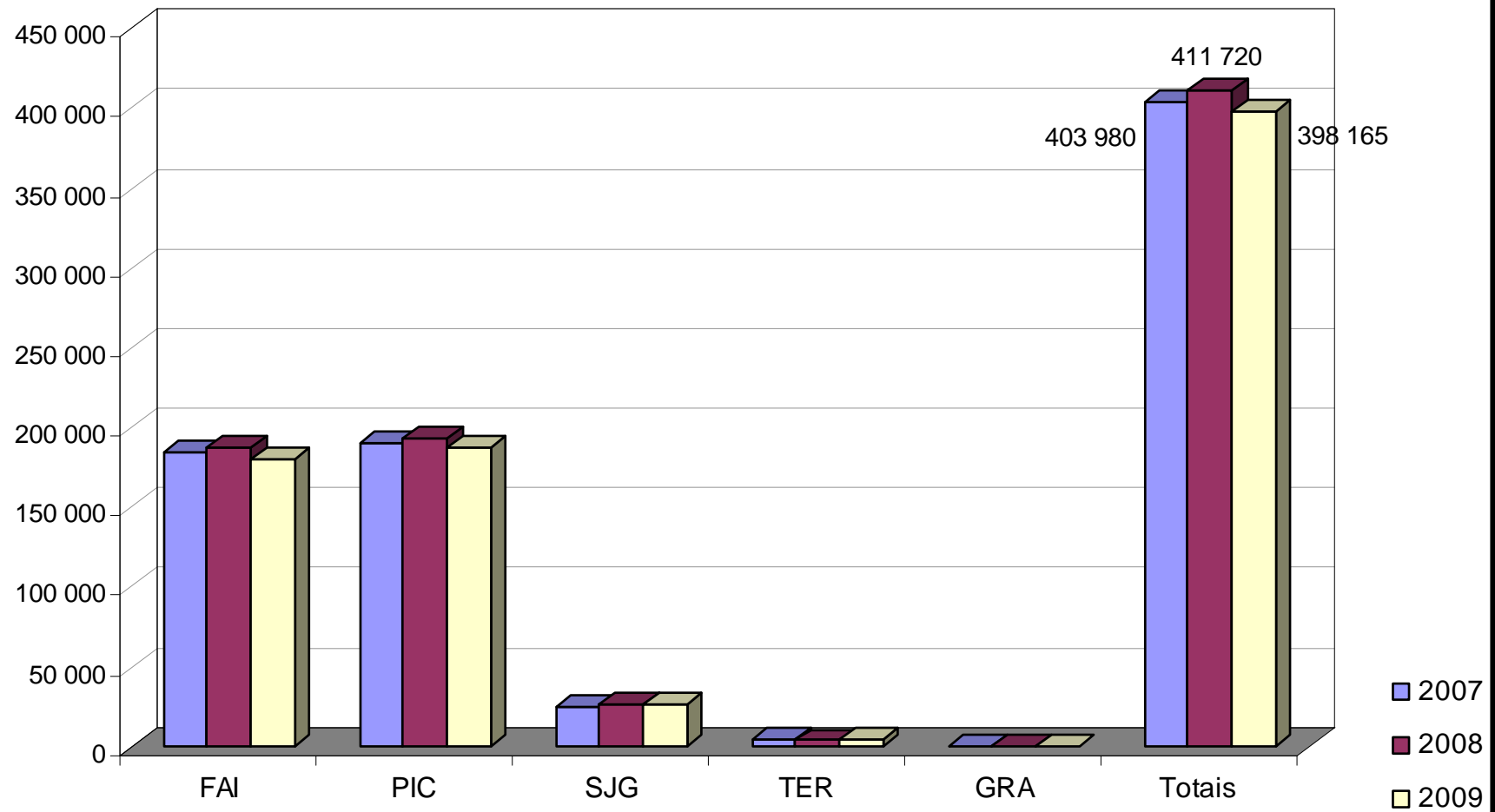
## Movement of passengers - ATLANTICOLINE



**REMARK:** Data for 2009 is not definitive.

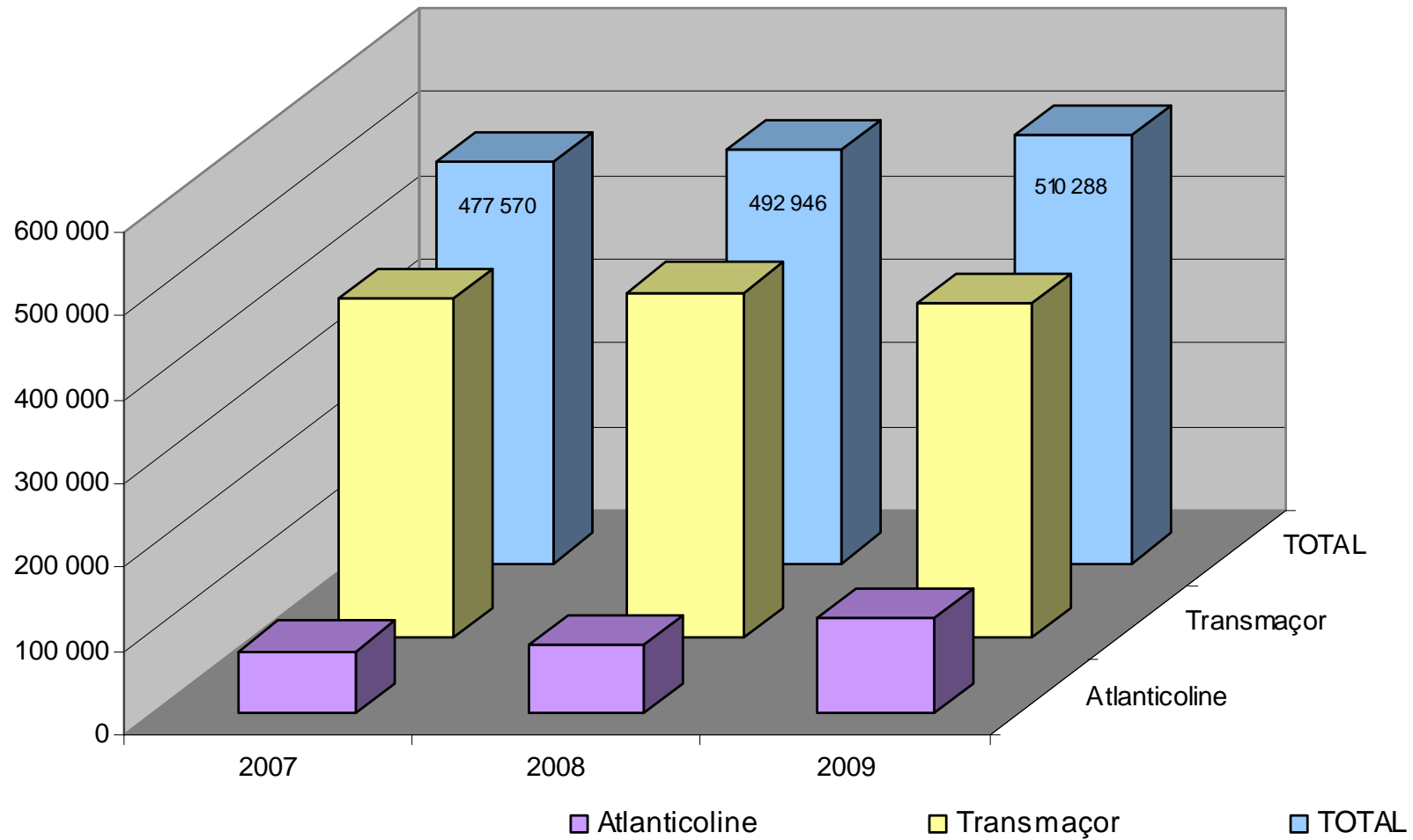


## Movement of passengers - TRANSMAÇOR





## Total Movement of Passengers - AZORES



# Eastern Group - APSM



Port of Ponta  
Delgada



Port of Vila do  
Porto

# Central Group



Port of Praia da Vitória



Port of Angra do Heroísmo



Port of Praia da Graciosa



# Central Group



Port of Horta



Port of Velas de São Jorge



Port of São Roque do Pico 38

# Western Group



Port of Lajes das Flores



Port of Casa on Corvo Island



# **Thank you!**

**Lucília Soares**  
**Regional Director of Air and Maritime Transportation**