

Would a Helsinki–Tallinn railway tunnel be profitable?

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The City of Helsinki has submitted an application to the European Union's Central Baltic Sea Programme for a study on the construction of an undersea railway tunnel to connect Helsinki and Tallinn. The objective is to investigate the feasibility of the project from technical, economic and social perspectives. The application was submitted by the City of Helsinki together with the City of Tallinn, the Uusimaa Region of Finland, the Harju County of Estonia and the governments of Estonia and Finland. If the European Union approves the application, calculations can be undertaken in 2016. But why on earth do this?

Estonia and Finland continue to become more closely integrated. Tallinn almost feels like a part of Helsinki – and vice versa. Today approximately 60,000 Estonians work in Finland, many of whom commute weekly by sea between Tallinn and Helsinki. Leisure travel to Helsinki by Estonians almost equals their work-based travel. In addition, nearly 20 percent of journeys originating from Estonia to Finland are destined to other countries than Finland, usually via Helsinki Airport.

As a point of comparison, it should be noted that the Öresund bridge connecting the Danish capital Copenhagen and Malmö, Sweden, is crossed by only 20,000 commuters daily, that is, the region lags behind the Gulf of Finland region as a commuting area.

The total number of passengers on the Helsinki–Tallinn route exceeded 8 million in 2014. The largest percentage of all passengers comprises Finnish leisure travellers, but Finnish and Estonian commuters combined equal them in number. The number of passenger cars on the route nears 1.2 annually. The numbers keep growing.

In addition to passenger traffic, the number of trucks on the route has grown steadily over the last 20 years and today exceeds 200,000 per year. The growth continues: over the last few years, new routes to Tallinn have been opened from the Port of Hanko in Finland and the Vuosaari Harbour in Helsinki to complement those from the West and Katajanokka Terminals in Helsinki. The strait between Denmark and Germany, where an undersea tunnel is under construction with EU financing, is crossed annually by less than twice the number of trucks – a total of 360,000. Freight traffic between Helsinki and Tallinn will increase further when the long-awaited Rail Baltica rail link between Tallinn and Warsaw is completed in 2025. The rail link will give Finnish import and export a whole new route and passengers an opportunity to reach Berlin in just over six hours by train.

A prefeasibility study completed in February 2015 addressed the profitability of the Helsinki–Tallinn railway tunnel. A 30-percent average growth in passenger and freight volumes from the current levels would cover more than half of the cost of the proposed tunnel. Keeping in mind that the European Union currently

supports the construction of the Denmark–Germany tunnel by 40 percent of the total cost, the entire cost of the Helsinki–Tallinn tunnel would be covered with tunnel charges and a similar level of EU support.

The economic and social ties between Finland and Estonia are so strong that they can no longer be considered to rely on differences between incomes and taxation. Estonia is and will be a permanent partner for Finland. Together we can truly compete with the Stockholm, Copenhagen and other regions. Some years ago, the German urban and regional researchers Spiekermann & Wegener estimated that the proposed tunnel would generate 1–3 percent GDP growth depending on the region.

It is now important to move forward and to investigate in further detail whether the Helsinki–Tallinn railway tunnel would be profitable from the economic and social perspectives and in terms of global competitiveness. We should look at the broader benefits of the tunnel for all of Finland. The tunnel would serve the interests of the whole country!