



The Øresund Bridge and its Region: 18 years





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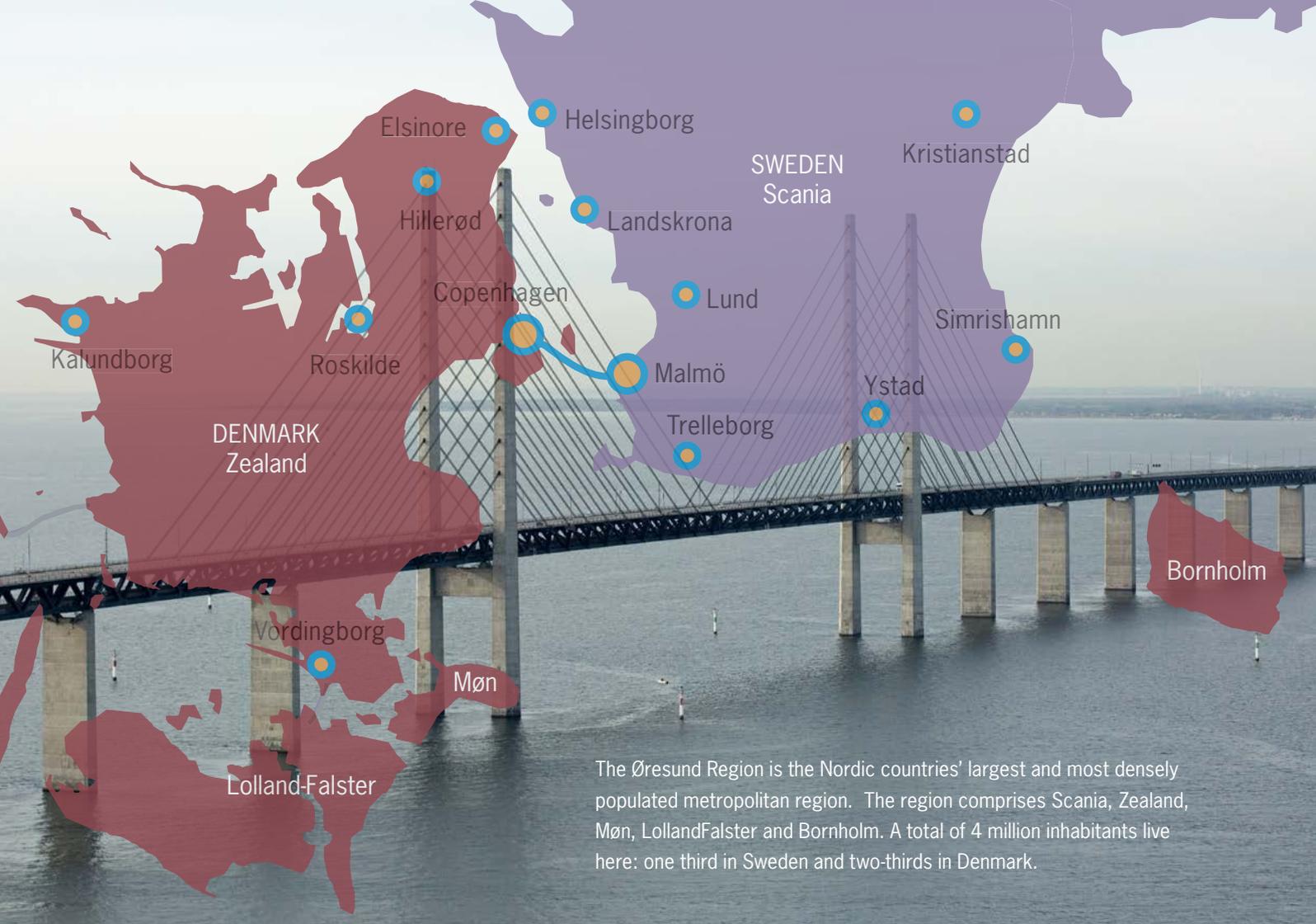
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Kalundborg

Roskilde

DENMARK
Zealand

Lolland-Falster

Vordingborg

Møn

Elsinore

Hillerød

Copenhagen

Helsingborg

Landskrona

Lund

Malmö

Trelleborg

SWEDEN
Scania

Kristianstad

Simrishamn

Ystad

Bornholm

The Øresund Region is the Nordic countries' largest and most densely populated metropolitan region. The region comprises Scania, Zealand, Møn, LollandFalster and Bornholm. A total of 4 million inhabitants live here: one third in Sweden and two-thirds in Denmark.

An exciting 18-year journey

The Øresund Bridge was built to improve communication between Scandinavia and the continent and to enhance economic and cultural collaboration between Denmark and Sweden. The governments of Sweden and Denmark agreed to create a region with increased trade and a common labour and housing market.

Today, we're living in the midst of the success that the bridge has created. The region is a powerhouse that contributes to the development of both Denmark and Sweden. The four million people who live here account for a quarter of the two countries' gross domestic product.

Our region constantly encounters challenges. Although market conditions, political decisions and various events in the world around us make their impact, we're always moving forwards.

The Øresund Bridge is the best route to the other side of Øresund. We offer commuters, freight operators, businesses and leisure customers an easy and inexpensive means to cross the bridge. Checking departure times or planning ahead are unnecessary because the bridge is always open.

Those who take the train – a choice favoured by many commuters – are also offered an easy journey across the bridge, with frequent departures to the other side of Øresund.

The Øresund Bridge connects the people of the region and across Europe. This publication presents a picture of the region's current development and the growth in traffic on the Øresund Bridge since its opening in 2000.

Caroline Ullman-Hammer
CEO, Øresund Bridge

Through crisis years towards record-breaking performance

The Øresund Bridge is the most important transport link between Denmark and Sweden. Around 70,000 people cross the bridge on a daily basis. 55 per cent take their car and 45 per cent go by train.

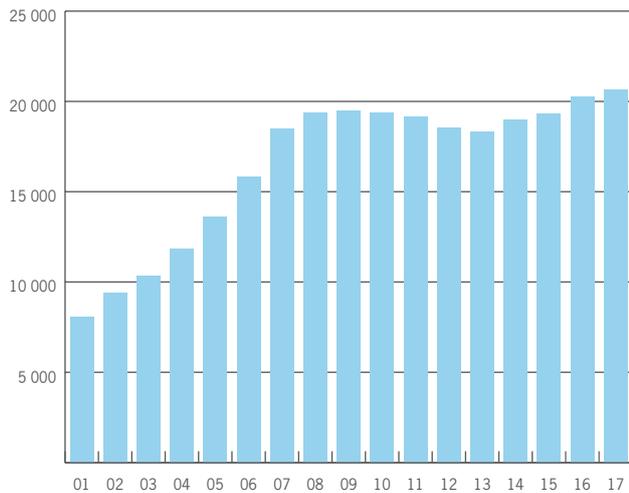
Between 2001 and 2007, road traffic increased by 10 -17 per cent per year. The increase in commuter traffic was driven by the housing and labour markets. Danes relocated to Sweden because of cheaper housing and the lower cost of living while Swedes discovered a labour market in Denmark that offered more jobs and higher salaries. Many young people also found their first job in Copenhagen. The bridge opened up new opportunities for easy and flexible commuting across Øresund.

Then came the economic crisis in 2008, which affected us too. Growth in road traffic across the Øresund Bridge fell to just under 5 per cent. The weak development in traffic continued through 2011-2013 before increasing again in 2014. In 2016, we posted several new traffic records and in 2017, the record for the number of vehicles per day (32,000), the number of vehicles per month (847,000) and the total number of vehicles over a year (7,530,255) was broken. In 2018, developments are more or less stable.

Leisure travel across Øresund has also seen a significant increase – as has freight and business traffic.

Average daily traffic across the Øresund Bridge, 2001-2017

Number of vehicles per day



Leisure travel is increasing

In the first years, commuter traffic was the largest customer segment. Leisure travel has now taken over first place. In 2017, commuters and leisure travellers accounted for an equal share of traffic – around one third each.

Leisure travel fulfils an important function in terms of integration between the two countries, enabling people across Øresund to get to know each other. The Swedes are drawn mainly to the great opportunities for culture and shopping in Copenhagen. The Danes have discovered Scania, with its beautiful scenery, as well as the opportunities for cheaper shopping in Malmö. In addition, many Danes travel across the Øresund Bridge to Ystad and take the ferry to Bornholm.

Growth in leisure traffic is mainly due to three factors:

- 2005 saw the launch of the leisure contract, Bro-Pas. The Øresund Bridge began to build up contact with its contract customers and develop a new

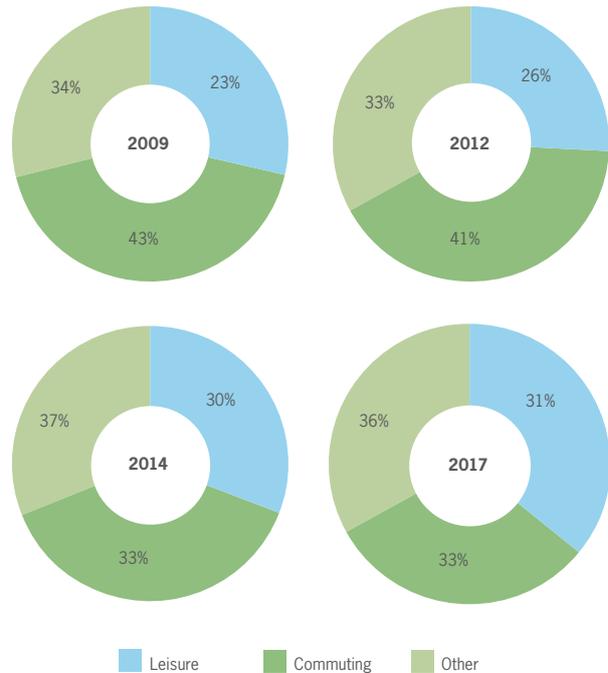
way to market offers on the other side of Øresund. The loyalty programme, Club BroPas, offers ideas, discounts and inspiration for events across Øresund and is now an important part of our success.

- In 2008, the Swedish krona weakened and it became much cheaper for Danes to shop in Sweden and discover the various offers available there. When the Swedish krona rose again, many Danes continued to visit Sweden. In 2016, the Swedish krona weakened again, which increased the number of journeys from Denmark to Sweden. Meanwhile, there was a decline in the number of journeys from Sweden to Denmark where the exchange rate meant higher prices for Swedes.
- In 2012, we launched the SmutTur (short-break) discount, which applies at weekends and in the evenings during the winter. This offers discounts to BroPass customers if they return within six hours outside rush hour.

Commuting affected by border controls

Commuter traffic rose in the first few years following the opening of the bridge. It declined for a period because of the financial crisis but had begun to rise again when ID checks and border controls in Sweden were introduced in 2015. This made rail travel more difficult and some passengers chose to travel by car, coach or taxi instead. This resulted in a shift in commuter traffic to the motorway, but adversely impacted the community around the bridge. Free movement and people's ability to live and work across Øresund is a pre-requisite for the region's development and integration. In 2017, controls were eased, train travel improved, departures increased and many commuters returned to the train.

Reasons for private cars crossing the Øresund Bridge



The bridge is important for freight traffic across Øresund

Business traffic across the Øresund Bridge comprises passenger cars and vans while freight traffic comprises delivery vans and lorries. There are coaches as well. Business traffic accounts for around 25 per cent of traffic across the Øresund Bridge.

The Øresund Bridge's share of freight traffic across Øresund has almost doubled since 2001, which was the bridge's first full year of operations. In 2017, the share was 53 per cent. The success is due to targetted marketing, close interaction with our customers and competitive pricing, which has paid off. Many hauliers choose the bridge because it is faster and geographically well located in relation to customers. Major logistics centres have been established near the E6, with close proximity to the Øresund Bridge.

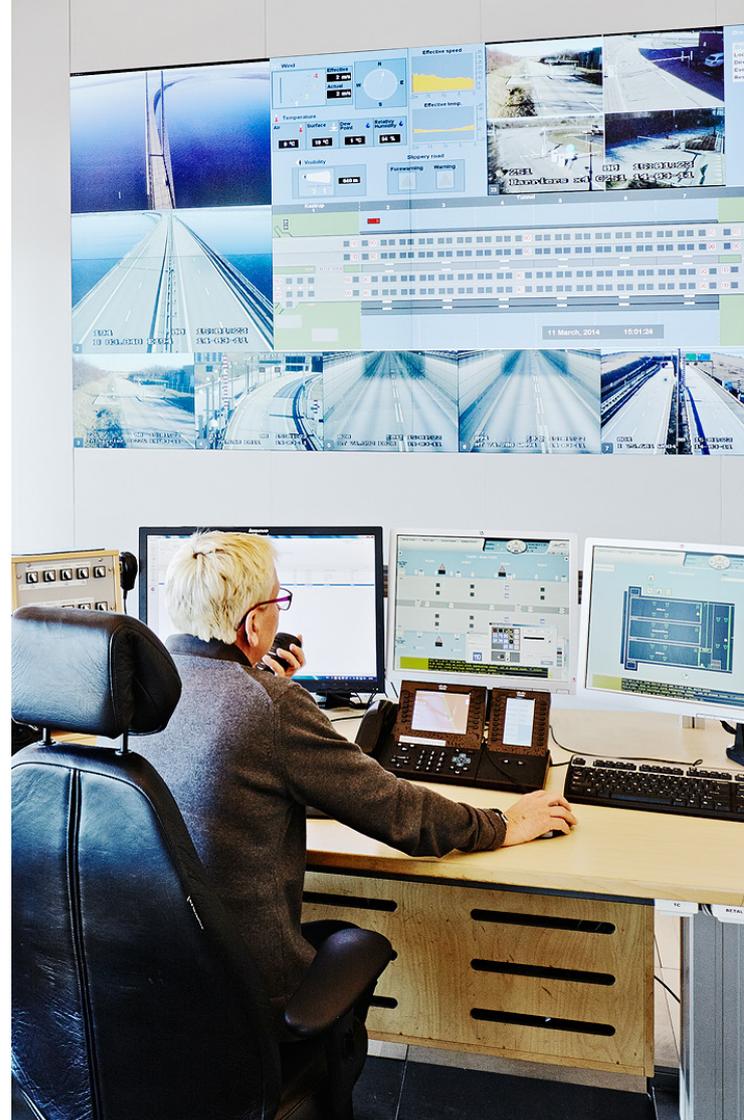
Developments in freight are strongly linked to socio-economic developments - not just in Denmark and Sweden but in Europe as a whole. A large proportion of lorry traffic connects Sweden with markets in Europe.

2016 saw an increase in coaches, taxis and rented cars. This was the result of the difficulties faced by rail commuters due to ID checks at the border. Coach traffic increased by 11 per cent, or an average of 14 coaches per day. These figures declined somewhat in 2017 because carrier responsibility was lifted, the border checks changed and train journeys became easier again.

Øresundsbro Konsortiet stimulates integration and trade between Danish and Swedish companies in the region by arranging Øresundsbron Business Meetings five times a year. These are occasions when business people from both sides of Øresund meet for inspiration on opportunities on the other side.

These meetings have attracted 6,000 participants since their start in 2010.

Market share of freight traffic



Road traffic expected to increase

The Øresund Bridge's latest forecast for road traffic development shows that overall traffic is expected to increase by between 2.1 and 2.5 per cent per year until 2035. The only exception is 2028 – the year when the Fehmarnbelt fixed link is expected to become operational. The increase will then be somewhat higher.

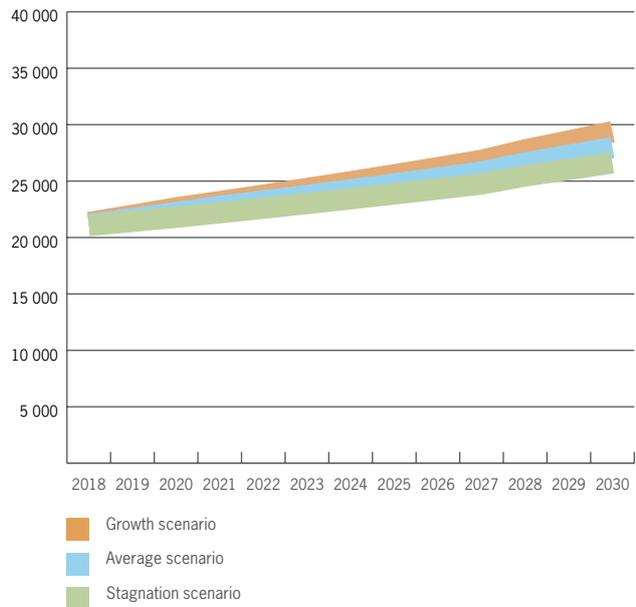
Freight traffic is increasing across the board. More goods are being transported in an increasingly cheaper freight market. Freight traffic is expected to increase from 6.3 to 8.2 per cent of overall traffic across the bridge until 2035.

Leisure traffic using BroPas will also see a strong increase. This is the category of traffic over which the Øresund Bridge has most influence through pricing, offers and marketing.

The forecast is based on a number of assumptions, including that decisions already taken are implemented, that no new decisions on infrastructure of regional significance are adopted and that the competitive relationship between the Øresund Bridge and the ferries between Elsinore and Helsingborg remains unchanged.

Traffic forecasts – daily traffic across the Øresund Bridge

Number of vehicles



Capacity and new infrastructure

Intense debates are periodically conducted in Sweden and Denmark about the development of infrastructure and new links across Øresund. This includes the anticipated capacity problem, which will mean space constraints particularly with regard to train travel across Øresund. The first bottleneck will not occur at the Øresund Bridge, however. Øresundsbro Konsortiet's own forecasts and a report on capacity across Øresund that the Danish Transport

Authority, the Swedish Transport Administration and Sverigeförhandlingen presented at the beginning of 2017 shows that problems will arise on land before congestion occurs on the bridge. Of particular concern is rail capacity at Copenhagen Airport Kastrup and the Malmö-Lund section. On the bridge, capacity issues will not arise on the motorway within the foreseeable future and not before 2035 at the earliest on the railway.



Rail traffic across Øresund

Rail passenger traffic across the Øresund Bridge has risen steadily over the years. In 2016, 11.5 million people took the train across the bridge. This is a decline compared to 2015 and is largely due to ID checks and border controls. In 2017, the number of train journeys rose to 11.6 million.

The City tunnel between central Malmö and the Øresund Bridge opened in December 2010 and shortened travel time between the stations in Scania and Copenhagen Central Station. During rush hour in the mornings and evenings, six Øresund trains per hour operate between Malmö and Copenhagen. At other times, trains run three times per hour apart from at night when there is one train per hour. The journey time is 35 minutes between Copenhagen Central Station and Malmö Triangeln. The journey time to Hyllie station is 26 minutes and 39 minutes to Malmö Central from Copenhagen Central Station.

Trains are mainly used by people in the region who live on one side and work on the other. Around 40 per cent

of passengers across Øresund are commuters. Three out of four train passengers live in Sweden. One out of four lives in Denmark.

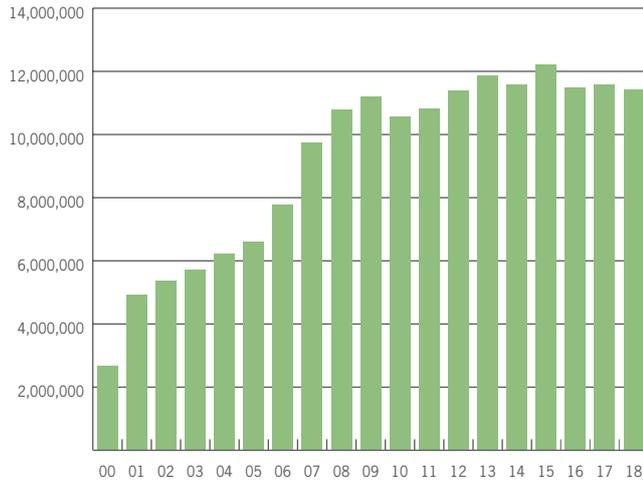
The Øresund Bridge is also used by international freight trains that link Sweden with the continent. On average, one freight per hour crosses the bridge. Since 2001, the volume of freight across the bridge has more than doubled.

In 2017, over 64,300 freight trains crossed the bridge carrying 7,165 million tonnes of freight.

Over the next 20-30 years, demand for freight traffic across the bridge is expected to increase. Improved capacity is, therefore, needed on the sections that lead to and from the Øresund Bridge. An expansion of certain sections of the railway infrastructure on both sides of Øresund is essential for meeting the expected increase which will result from the opening of the Fehmarnbelt fixed link.

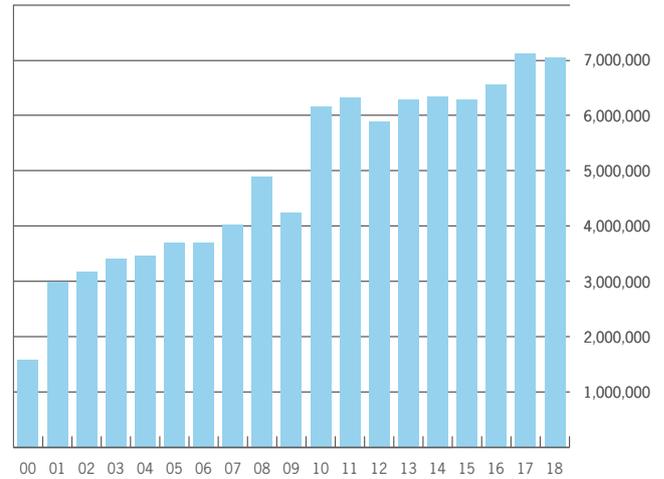
Rail passenger traffic across the Øresund Bridge

Number of passengers



Rail freight across the Øresund Bridge

Tonnes



Border controls impacted integration

In November 2015, the Swedish government introduced border controls for travellers from Denmark to Sweden. In January 2016, carrier responsibility became more stringent. Rail passengers crossing the Øresund Bridge had to change platforms and go through an ID check at Copenhagen Airport at Kastrup as well as a border check at the station in Hyllie.

In addition, the number of train departures was reduced from six to three per hour. All in all, this resulted in longer journey times and more crowding in the trains. The effects were fewer rail travellers, a shrinking labour market and more difficult access to Copenhagen Airport.

Car travellers across the Øresund Bridge usually experience only minor delays because of ID and border controls at the toll station.

This was the reason for some of the increase in car traffic on the bridge in 2016.

In 2017, the border controls changed. Carrier responsibility was lifted and the ID checks that were carried out at Copenhagen Airport were discontinued. Some travellers started to use the train again as rail journeys became easier. The number of departures increased and have now returned to the same level as before the checks were introduced. Further improvements are planned.

It is Øresundsbro Konsortiet's view that although the controls contributed to more road traffic and increased revenue in the short-term, the inconvenience of rail travel hampered development in the region, which benefitted no-one. It is, therefore, to be welcomed that rail travel has become easier again.





The financing of the Øresund Bridge

In 1991, Denmark and Sweden entered into an agreement to build a fixed link across Øresund. Just over a year later, the governments decided to establish a 50/50 owned company, Øresundsbro Konsortiet, which would build, own and operate the Øresund Bridge and raise loans to finance the construction costs.

The agreement of 1991 stipulates that the construction and operation of the link is to be financed through bridge tolls paid for by its road users. In addition, the Swedish Transport Administration and Denmark's Banedanmark (Rail Net Denmark) pay a fixed annual fee (indexed) for the use of the railway. Revenues should cover operating costs, interest expenses and the repayment of the loans raised to finance the construction of the link, i.e. the bridge and the landworks in Denmark and Sweden.

When the Øresund Bridge was completed in 2000, Øresundsbro Konsortiet's net debt stood at

DKK 19.6 billion. The two owner companies, A/S Øresund and SVEDAB AB, in turn had an overall debt of DKK 10.5 billion from the construction of the landworks. At the end of 2017, Øresundsbro Konsortiet had net debt of DKK 12.1 billion (interest-bearing net debt).

In 2018, Øresundsbro Konsortiet began paying dividend to its owners for the first time so they can start repaying the loans that financed the landworks.

At the Annual General Meeting on 26th April 2018, the owners adopted a dividend policy which means that the Consortium's debt is expected to be repaid by 2050. Moreover, it means that SVEDAB AB and A/S Øresund's debt will be less than expected and will be repaid over a shorter time period.

In practice, the entire link, including the landworks, will be repaid at the same time as before, i.e. around 2050.

The bridge brings great benefits to society

The Øresund Bridge is not only a faster and more convenient way to travel between Sweden and Denmark. It also has a socio-economic value for both countries.

Access to a common labour market contributes to significant economic benefits for the surrounding community. Swedish commuters contribute to production in Denmark. And it has been a benefit for Sweden that Swedes have had access to the Danish labour market.

There are also many examples of business collaborations that have been good for the region, such as the merger of the ports of Copenhagen and Malmö to form Copenhagen Malmö Port.

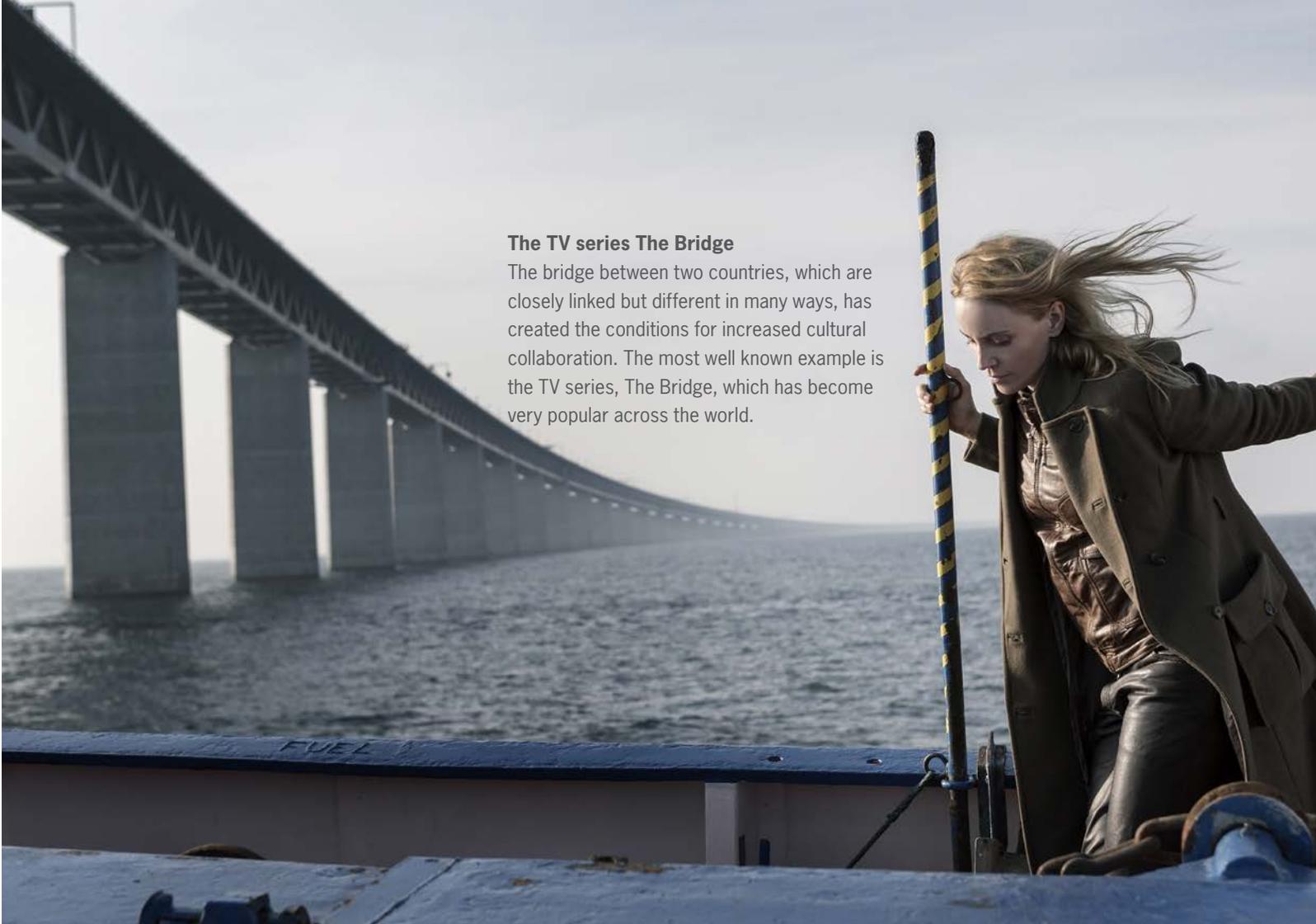
Copenhagen Airport at Kastrup has also strengthened its position as the airport for southern Sweden. This has helped many companies to establish themselves in the region. In 2015, for example, Ikea opened new offices in Malmö.

New districts have been developed in Hyllie and Ørestad, with housing, shops and offices, because of its proximity to the bridge.

The major research facilities, MAX IV and ESS in Lund, have moved to the region because of the Øresund Bridge and the easy access to the large international airport. This will be an advantage not least because part of ESS's business will be based in Denmark.

Access to a common housing market has brought economic gains for the Danes in particular, who have had access to cheaper housing in Sweden when house prices in Denmark were much higher. Swedish property companies have invested in the Danish market in and around Copenhagen.

Various estimates have been made of these socio-economic in monetary terms, including by the former Øresund Committee and the Øresund Institute.

A woman with blonde hair, wearing a dark brown trench coat and a leather jacket, is leaning forward on a blue and yellow striped pole. She is on a boat, with a blue railing in front of her. The railing has the word "FUEL" written on it. In the background, a long, curved bridge with many concrete pillars extends across the water towards the horizon. The sky is overcast and grey.

The TV series The Bridge

The bridge between two countries, which are closely linked but different in many ways, has created the conditions for increased cultural collaboration. The most well known example is the TV series, *The Bridge*, which has become very popular across the world.

Responsibility for the region, the people and the environment

The Øresund Bridge plays an important role in its surrounding community. This requires that Øresundsbro Konsortiet is a sound business that takes responsibility for people and the environment.

Many important social functions depend on the link. People should be able to get to their workplaces in order that companies in the region can function.

Travellers and airline staff must be able to travel to and from Copenhagen Airport. Therefore, the Consortium's main task is to provide an accessible and safe link 24 hours a day. The Øresund Bridge also contributes to social and environmental sustainability.

Old technology that has reached the end of its useful life is replaced with environmental-friendly alternatives wherever possible.

Electricity consumption has decreased considerably. Speeds at the toll station have been reduced through the installation of flexible speed bumps, resulting in a better and safer environment for customers and employees.

In the first half of 2018, 1,500 m² of solar panels were installed at the toll station, which, on average, will provide 4 per cent of the link's total energy consumption on an annual basis.

At the beginning of the year, customers were given the option to choose Automatic Number Plate Recognition as a method of payment. More than 75 per cent of new customers have chosen to do this, which provides for a smoother passage and is better for the environment.

Prior to the construction of the Øresund Bridge, there was concern that it would be harmful to the environment. Instead, it has been found that the link has had beneficial effects, in particular on the waters of Øresund. One of Europe's largest mussel beds is found here with the Øresund Bridge pylons and piers forming a subterranean reef, where the mussels thrive. The unique flora and fauna on the artificial island, Peberholm, attracts experts from around the world.



The common labour market

Before the Øresund Bridge was built, some 1,500 people commuted between Malmö and Copenhagen. The bridge made it possible for many more to live on one side of Øresund and work on the other.

Copenhagen is the dominant city in the region with over a million inhabitants and a varied labour market. It attracts workers from all over the region, particularly from Malmö.

Over 90 per cent of commuters across the Øresund Bridge live in Sweden and work in Denmark.

60 per cent of commuters residing in Sweden and working in Denmark live in Malmö. This is followed by Helsingborg with 10 per cent and Lund with 5 per cent. More than 80 per cent work in the Copenhagen area. Before the Øresund Bridge was built, 38 per cent of commuters to Denmark lived in Malmö and 27 per cent lived in Helsingborg.

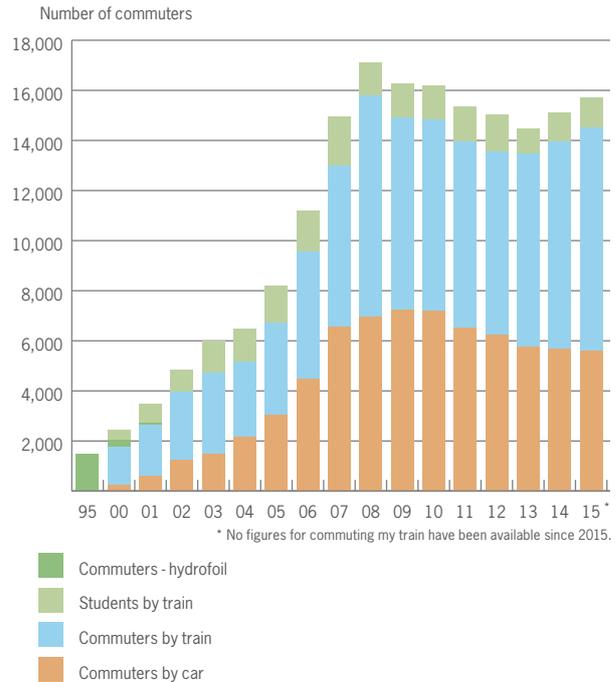
Danish commuters who work in Sweden live mostly in the Copenhagen area. They work mainly in Malmö, followed by Lund and Helsingborg.

In 2005 the Swedes made great inroads into the Danish labour market. There was a great shortage of labour in Copenhagen and high unemployment in Scania. Also, because wage levels in Denmark were significantly higher than in Sweden, Danish jobs became attractive.

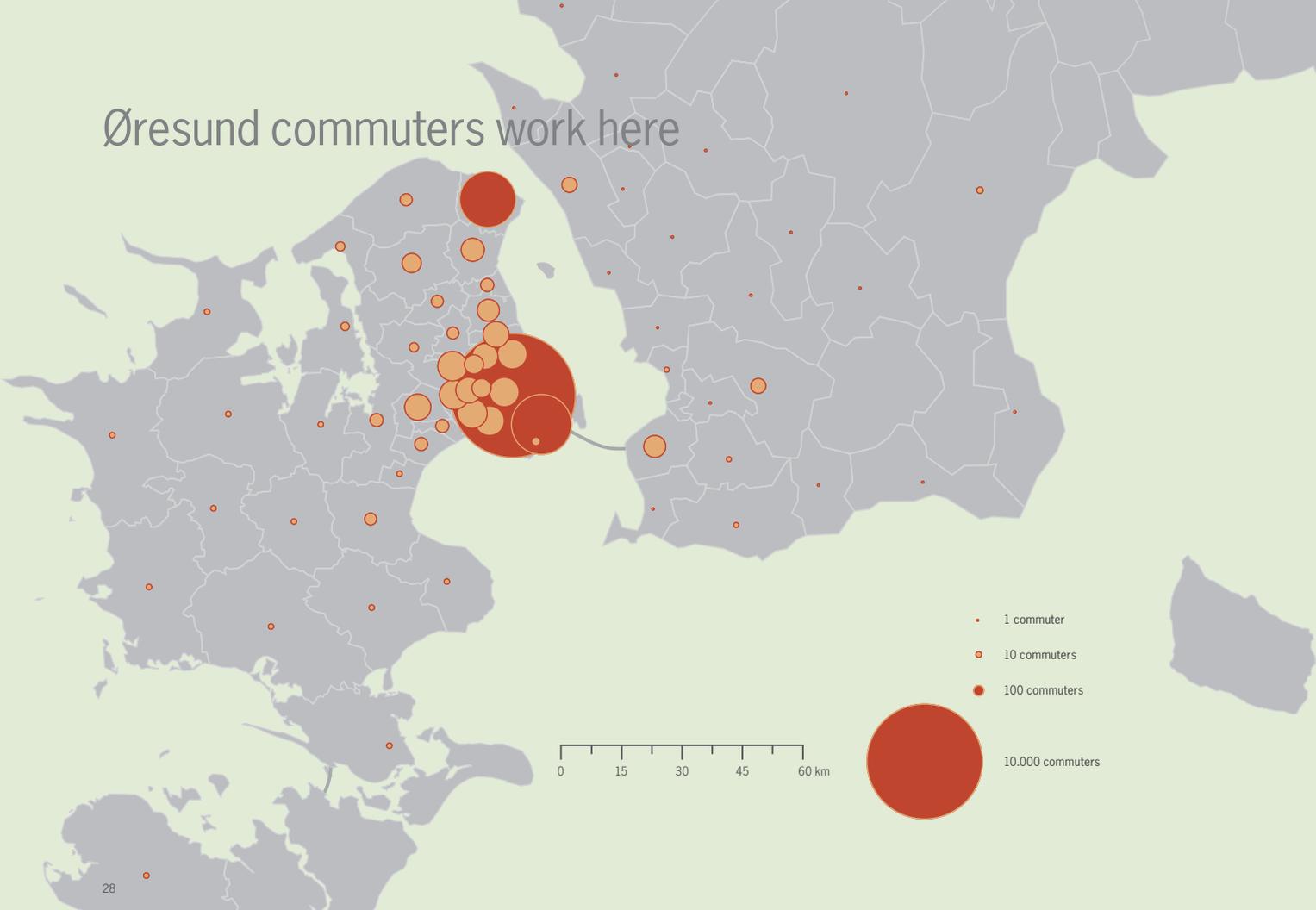
The trend culminated in 2007 when 6,667 Swedes found work in Denmark. This was almost twice as many as in 2006 and five times as many as in 2005. The figures impacted the traffic statistics on the Øresund Bridge when commuter traffic hit a record 17,000 commuters in 2008. This meant a tenfold increase since the Øresund Bridge opened.

When the financial crisis hit, unemployment rose in Denmark, and commuting across Øresund declined. In 2014, the trend reversed. In 2017, 5,970 commuters crossed the Øresund Bridge on a daily basis. The reason is that Denmark had reached its highest level of employment since 2009.

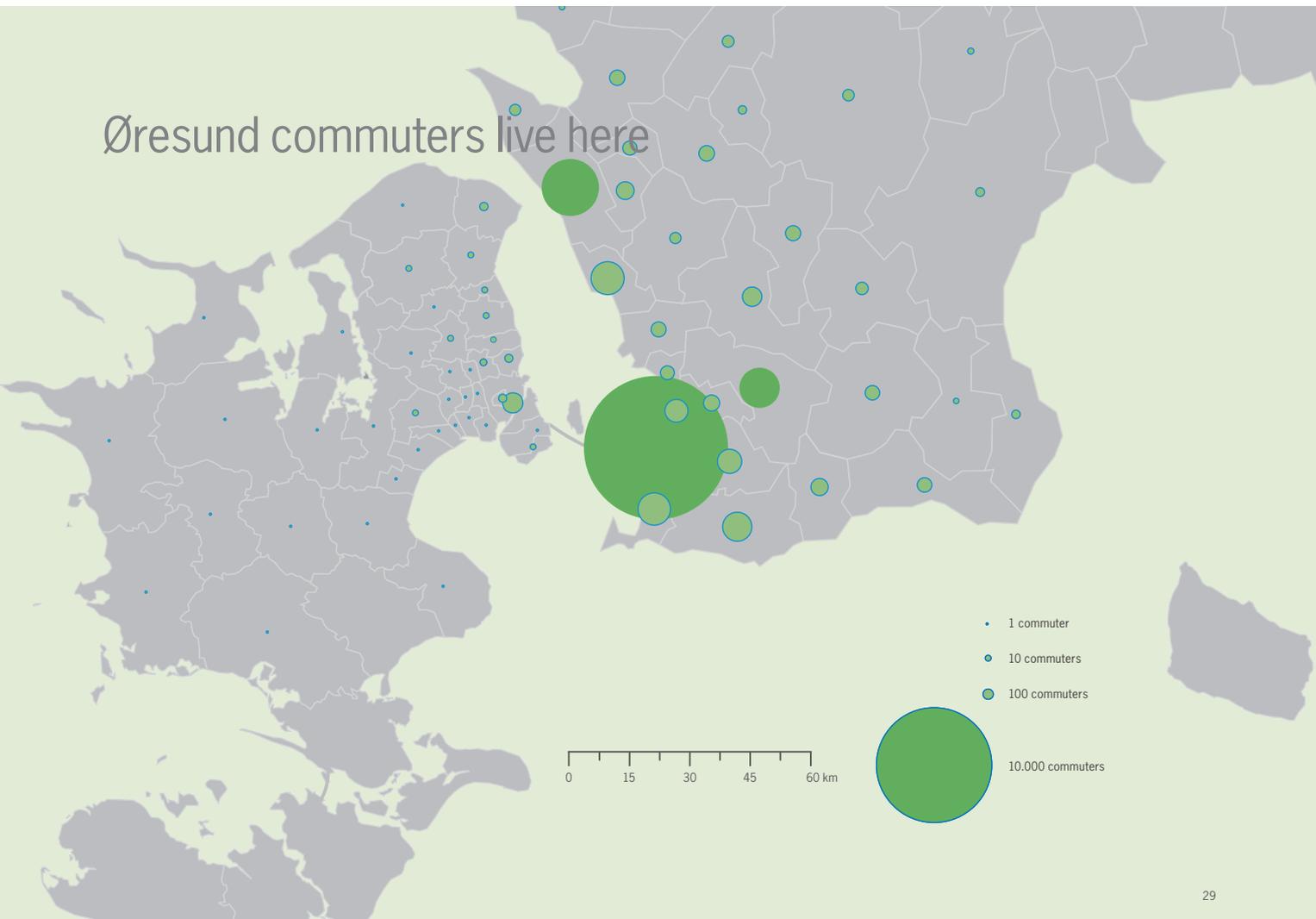
Average daily commuting across the Øresund Bridge



Øresund commuters work here



Øresund commuters live here



The common housing market

Since the bridge opened, integration in the Øresund Region has largely been governed by differences in house prices on the Danish and the Swedish sides of the Øresund waterway.

During the first five years of the 2000s, house prices rose significantly, especially in the Copenhagen area. On the Swedish side, house prices were much lower.

The price difference between housing in Malmö and Copenhagen peaked at the beginning of 2007. On the Danish side, a 140 sq.m. house cost an average of DKK 3.5 million. On the Swedish side, the average price was DKK 2.2 million.

Living costs were also significantly lower in Scania compared to Copenhagen. Income from working in Copenhagen went much further in Swedish stores.

During this period, many Danes decided to settle in Malmö.

In 2008, the global financial crisis made its impact. The Danish housing bubble burst and house prices in the Copenhagen area fell dramatically.

On the Swedish side of the Øresund Region, especially in Malmö, house prices went up, however.

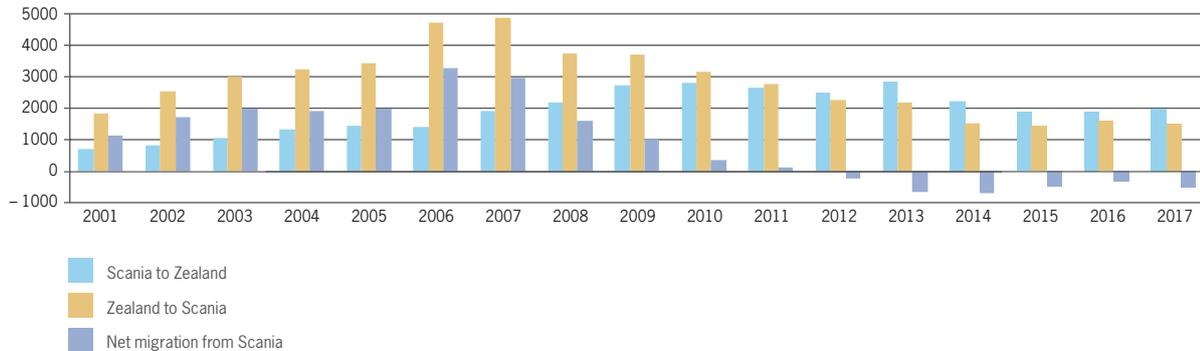
At the turn of the year in 2012-2013, the price per square metre for a family home in the Malmö area was almost at the same level as in the Capital Region.

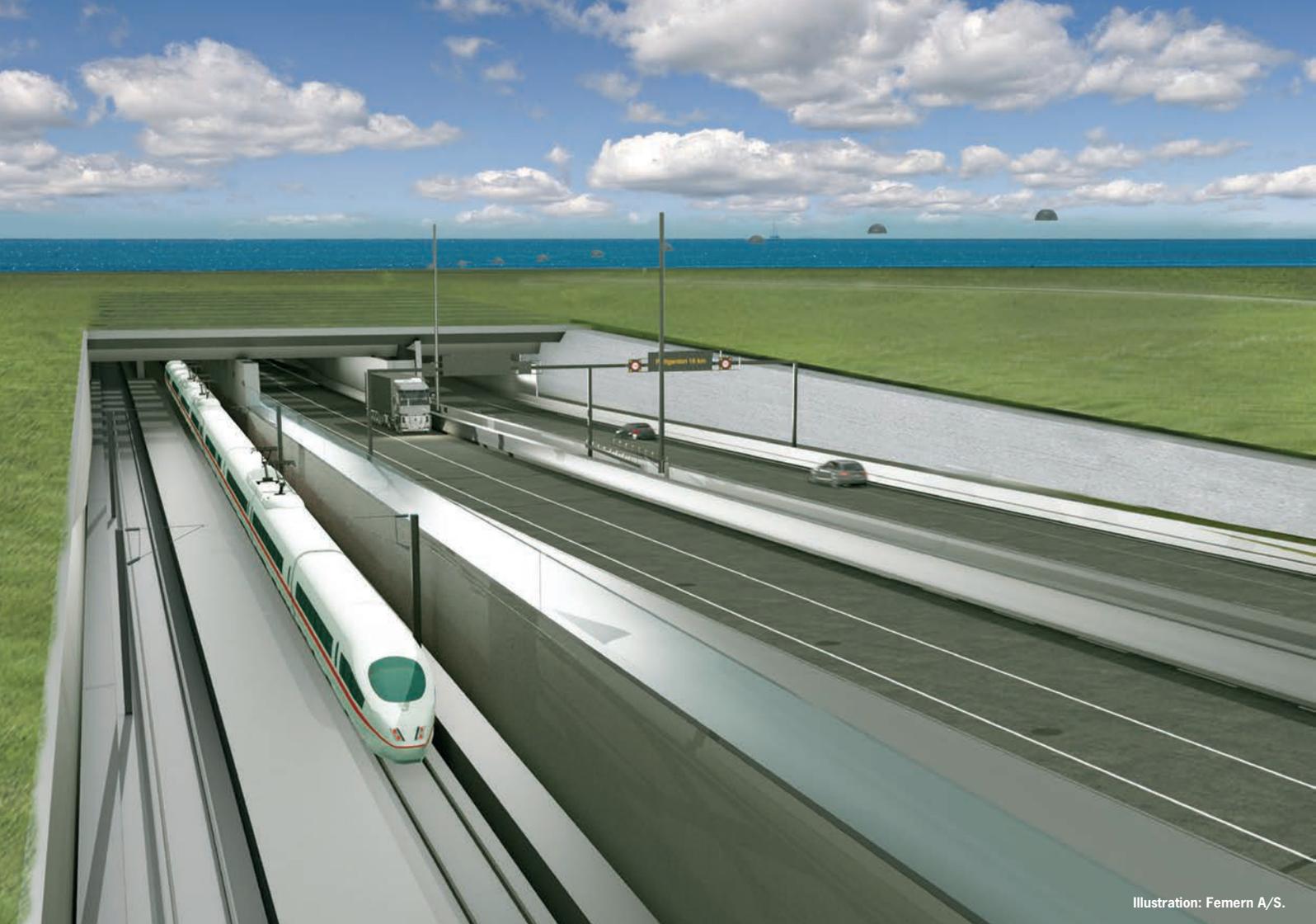
The flow of people from Zealand came to a halt. Many of the Danish emigrants returned to Denmark.

Although house prices in Copenhagen have risen steadily since 2014, the trend for moving from Sweden to Zealand, rather than the other way around, continues. The attractive job market on the Danish side, coupled with an overall trend for moving into big cities, has attracted many Swedes to the Copenhagen area.

In 2017, 1,549 people relocated from Zealand to Scania. This was a decline of 5 per cent compared to 2016. Some 2,027 moved the other way, which is a rise of 5 per cent compared to 2016.

Relocation between Zealand and Scania





The region will grow with the Fehmarnbelt Tunnel

When the fixed link between Denmark and Germany is completed, Scania and Zealand will be bound together with Hamburg to create a new growth region. At the same time, car and train journeys to the continent will be much faster.

The link will be built as an 18 km immersed tunnel for road and rail traffic between Rødby in Denmark and Puttgarden in Germany. Travel time is expected to be 10 minutes by car and seven minutes by rail. The journey between Copenhagen and Hamburg is expected to take three and a half hours by car (a reduction of one hour). By train, the journey time will be shortened from four and a half hours to two and a half hours because the railway will be upgraded on the both the German and Danish sides of the Fehmarnbelt. The link is expected to open in 2028.

The Fehmarnbelt link is part of the European transport corridor between Scandinavia and the Mediterranean – one of the EU's nine priority transport corridors. It will increase mobility between Sweden, Denmark and Germany and offer better conditions for travelling, commuting and trade.

The tunnel will be of great importance for business in the region around Øresund because Germany is both Sweden and Denmark's largest trading partner. Scandinavia is Germany's seventh largest trading partner.

Øresundsbro Konsortiet expects the Fehmarnbelt link to increase road traffic on the Øresund Bridge by 1,000 vehicles per day. Freight traffic on the bridge is also expected to increase substantially.

Historic milestones

23 March 1991 The governments of Sweden and Denmark sign an agreement to build a fixed link across Øresund.

August 1995 Bridge construction begins with the dredging of Øresund.

1 July 2000 The Øresund Bridge is opened by Denmark's Queen Margrethe and Sweden's King Carl Gustaf. There is a 'people's party' on both sides of Øresund.

January 2005 The Øresund Bridge launches the BroPass contract for the region's leisure time travellers. Since then, more than 500,000 customers have acquired a BroPass.

2007 Relocation across Øresund reaches a record high. Some 4,300 people move to Scania and 2,000 to Zealand.

2008 Commuting across the Øresund Bridge reaches record levels with over 17,000 commuters per day.

May 2010 50 million vehicles have crossed the Øresund Bridge. Road traffic has clearly exceeded forecasts from the opening of the link.

December 2010 The opening of the City Tunnel between the Øresund Bridge and Malmö C gives shorter travel times by train across Øresund.

November 2015 and January 2016 Sweden introduces temporary border controls and puts transport responsibility into practice, which means that all travellers across the Øresund Bridge must produce valid ID.

2017 A year of records. 7.5 million vehicles crossed the bridge in 2017, which is an unprecedented annual record. The number of travellers per day exceeded 20,000 for the first time. July was record-breaking on two counts: the number of travellers in one day and in one month. In 2017, the 100 millionth vehicle crossed the bridge.

Find out more

Øresundsbro Konsortiet works actively with the Øresund Region and on integration between Zealand and Scania. You can read more about this work not only in the Øresund Bridge and its Region” but also in the following sources:

Øresundsbro Konsortiet

oresundsbron.com

Twitter: @oresundsbron

Corporate Responsibility and Sustainable Development

Øresundsbro Konsortiet assumes social and environmental responsibility in its operations. Our CSR report describes how we deal with the working environment and the environment around the bridge.

oresundsbron.com

Annual Report

Øresundsbro Konsortiet’s annual report sets out our financial results, describes our company and traffic developments during the year.

oresundsbron.com

Fokus Øresund

Fokus Øresund is a digital newsletter, which is published by Øresundsbro Konsortiet. It covers news about people, companies and developments in the region.

fokusoresund.com

The Øresund database

The Øresund database contains unique border regional statistics that describe traffic across Øresund and has comparable statistics for the two parts of the countries. There are also analyses that describe developments in the Øresund Region.

orestat.se

The Øresund Institute

The Øresund Institute monitors and analyses integration development in the Øresund Region.

oresundsinstitutet.com



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