Item: **17** 



# Report to Partnership Meeting 3 February 2017

#### **EUROPEAN**

# **SPARA 2020 – Overview & Progress**

### **Purpose of Report**

To provide the Members with an update on the SPARA 2020 INTERREG IVB Northern Periphery Programme project that has secured funding from the Northern Periphery and Arctic Area INTERREG Programme with HITRANS as Lead Partner.

# **Project Overview**

Smart Peripheral and Remote Airports (SPARA2020) is a 3 year, €2.4 million Northern Periphery and Arctic Programme Project, designed to address the challenges facing peripheral & remote airports. These airports are economically vital, providing accessibility & connectivity to residents. However, with low traffic volume, strong seasonality challenges and ageing aircrafts, these airports suffer relatively higher costs of operating safely & compliantly, and inevitably require state subsidy/intervention. SPARA aims to maximise revenues at these peripheral & remote airports, and increase their self-sufficiency and resilience long-term.

The Northern Periphery and Arctic Programme 2014-2020 is funded by the ERDF, and more generally aims to help peripheral and remote communities on the northern margins of Europe to develop their economic, social and environmental potential. SPARA2020 has been designed both to address the region's needs, but also to explore issues that have resonance beyond Northern Europe, and to develop outputs that will deliver enduring benefits after the project concludes in May 2018.

### **Project Partnership**

HITRANS is the lead partner of the project. Other Scottish partners include the University of the Highlands and Islands and Robert Gordon University, whilst Sweden is well represented with Trafikverket (The Swedish Transport Administration), Sundsvall Timrå Airport and Storuman Municipality. The Northern Western Regional Assembly (NWRA) of Ireland will represent airports such as Donegal and Ireland West (Knock) in the project, and Molde University in Norway and the University of Sydney in Australia are the other project partners.

#### **Project Activities**

The Highlands and Islands area will benefit significantly as all Scottish activity in the project will have a focus in the region.

The project includes work on Innovative Technologies to improve airport performance and control cost. These involve a close examination of Remote Air Traffic and Remote Security technologies, as well as distributed training, benefitting from broadband and communication technology advances. With the support of Eurocontrol, the project will also examine the business

case for Airport Collaborative Decision Making (lite), as suited to the smaller airport (and budget) context.

Mindful of aviation's carbon footprint, two work strands have been developed to foster more sustainable energy use in the sector. Low carbon fuel airport surface access demonstrator trials are being developed by HITRANS, in partnership with their member Councils, Energy Savings Trust and Highlands and Islands Airports at airports in the Highlands and Islands. These are designed to be low carbon exemplar projects on how to decarbonise links from the airport to its local population centre, and will include support for electronic bus operation on airport services, EV car hire and EV / Hybrid Taxi roll out to serve airports. The business case for offering biofuels to incoming aircraft at the region's airports will be examined in some detail, learning from some pioneering work at Karlstad Airport in Sweden.

Based upon the recognition that the performance of many peripheral airports' scheduled traffic is structurally constrained by their small catchment size, significant budget has been assigned to examining non-aeronautical sources of income and diversification of roles for these facilities. A whole gamut of possibilities will be examined and best practice will be publicised and disseminated, and some more in depth pilot projects will be undertaken. Optimising an airport's role as an employment cluster will be explored extensively. The location selected for these activities are Ireland West (Knock), Donegal, Inverness and Oban. HITRANS are working with the Northern Western Regional Assembly (who are leading this work package) to conduct Audits of the four airports and identify suitable pilot projects for implementation.

The project will also examine in some detail the distinct socio-cultural role that airports play in the Northern Periphery and Arctic area, and to refine and improve economic impact assessment methodologies of SPARA airports, with a view to better guide future public investment. This includes studies led by RGU at airports in Ireland, Scotland and Sweden.

### **Project Progress**

### Low Carbon Solutions

HITRANS are exploring low carbon car hire and car club opportunities, low carbon taxi pilot projects & introducing electric bike hire at airports in the Highlands and Islands. HITRANS is currently working with Energy Savings Trust, HIAL and E-Car Club to support the implementation of EV charge points at Highlands & Islands airports, with the aim that SPARA assistance can support additional charge points and increase EV usage across the region. HITRANS is also planning to install electric bikes at Barra Airport, with application to other airports, including Tiree and Benbecula, if successful.

#### Non-Aeronautical Services

HITRANS has been working closely with Irish partner NWRA on progressing the Non-Aeronautical Services work package. ALG were awarded the contract to perform audits of 2 airports in Scotland (Inverness and Oban) and 2 airports in Ireland (Donegal and Ireland West Knock), to examine how public service airports are managing their current non-aeronautical activities, and identify opportunities to diversify income. NWRA are now compiling best practice non-aeronautical activities from airports across the NPA programme area, and have identified pilot projects to implement and evaluate at these airports.

### **Technology-Driven Solutions**

Trafikverket have now produced a first draft of their SPARA Roadmap. The aim of the report is to reflect developments in technology & innovation, and help influence change across the industry to enhance the sustainability of airports that are often critical community resources.

Trafikverket have explored the opportunities and challenges facing these peripheral & report airports, with the roadmap intended for airport & policy makers to support the medium and longer term developments of the sector.

Storuman have been focusing their efforts on the setup of pilots, negotiating with different possible financers and partners, both outside and within the SPARA project. Hemavan Airport has been selected as the site for pilots including A-CDM lite, Remote Tower, and Remote Security/Check-in.

Sundsvall has contributed their knowledge on the Basic Airport Model, Remote Tower Control technologies, remote training needs and bio fuels, and hosted one of the SPARA partner meetings – demonstrating their cutting edge technical solutions in relation to air traffic and security services.

UHI are exploring remote training needs at peripheral and remote airports, and have identified themes for intervention following interviews with regional airports discussing remote training needs.

### **Enduring Innovation Network**

UHI are continuing their work on developing the Smart Peripheral Aviation Network (SPAN), preparing a business case to support the creation and development of the network. The SPAN newsletter is distributed to over 300 contacts with a respectable 16% open rate. Interested parties can sign up to SPAN newsletters and keep up-to-date on project progress on the SPARA website: http://spara2020.eu

#### Social, Cultural & Economic

RGU are leading on the research into the social and cultural importance of remote airports. RGU have held data gathering exhibitions at Donegal, Sundsvall and Skye Airport, with possible plans to visit a Norwegian Airport. Preliminary work has also commenced on the development of resources for bespoke stakeholder and public engagement strategies.

Molde University College and Sydney University have developed, through liaison with UHI's Economic Intelligence Unit, a web-based questionnaire for their benchmarking analysis. Contacts are being established and the data collection is due to begin shortly.

#### **Partner Conferences**

SPARA project partners recently met in Molde, Norway, for the fourth partner conference, hosted by Svein Brathen at Molde University College.

A guided tour and presentation of Brunvoll AS highlighted the significant impact a small regional airport can bring to local businesses and the economy. Brunvoll is now a worldwide recognised leading service provider in the maritime industry, and creates a substantial number of jobs in the area. The company's personnel are on nearly every flight in and out of Molde Airport, and charter flights are also utilised for last-minute emergency orders. Brunvoll claim that without the facilities of their local airport, their growth would not have been possible.

Partners also welcomed Molde Airport Manager Jeff Offenberg, presenting on their cost-reduction programme and market development. Learning from companies such as Avinor, and the challenges & experiences faced by airports such as Molde, helps to inspire SPARA work and identify shared challenges across the NPA area.

SPARA conferences allow partners to witness first-hand the challenges & innovative solutions being implemented at these remote & peripheral airports, that will help to shape work locally and address the shared challenges faced across the NPA area.

The next partner conference will be held in Knock, Ireland, on 16th & 17th May 2017.

# **RISK REGISTER**

### RTS Delivery

Impact - Positive

Comment – The SPARA 2020 project has supported a number of RTS objectives particularly in Aviation and Low Carbon solutions.

### Policy

Impact - Positive

Comment – SPARA 2020 is supporting broader policy work including the Inverness City – Region Deal Air Access work and the Islands Transport Forum.

### Financial

Impact – Positive

Budget line and value – The project attracts a high EU intervention rate of 65% with match funding allowed for within the Research and Strategy Delivery Programme.

Comment – A significant element of the work in SPARA 2020 covers activity HITRANS would be delivering in any case meaning a significant amount of additional funding is being attracted to the Partnership.

#### Equality

Impact -neutral

Comment – No impact on Equalities from this report.

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