PORTS OF LATVIA

PREPARED BY THE ROYAL DANISH EMBASSY IN RIGA

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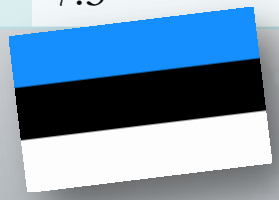
FIGURES ABOUT THE BALTICS

	Estonia	Latvia	Lithuania
Area	45.226 km2	64.589 km2	65.200 km2
Capital	Tallinn	Riga	Vilnius
Population	1.34 Million	2.03 Million	3.04 Million
VAT	20%	21%	21%
Corporate income tax	21%	15%	15%
Min monthly wage EUR	470	380	380
Average monthly wage BRUTO	1119	847	793
GDP annual growth rate 2016 (%)	1.3	2.1	3
Unemployment rate (%)	7.5	9.5	8.5



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Republic of Latvia

PORTS OF LATVIA

Three main ports of Latvia:

- Freeport of Riga
- Freeport of Ventspils
- Liepaja Special Economic Zone

Advantages:

- Freeport statuss
- Tax advantages for investments
- Free land plots available
- Up to 17 meters deep

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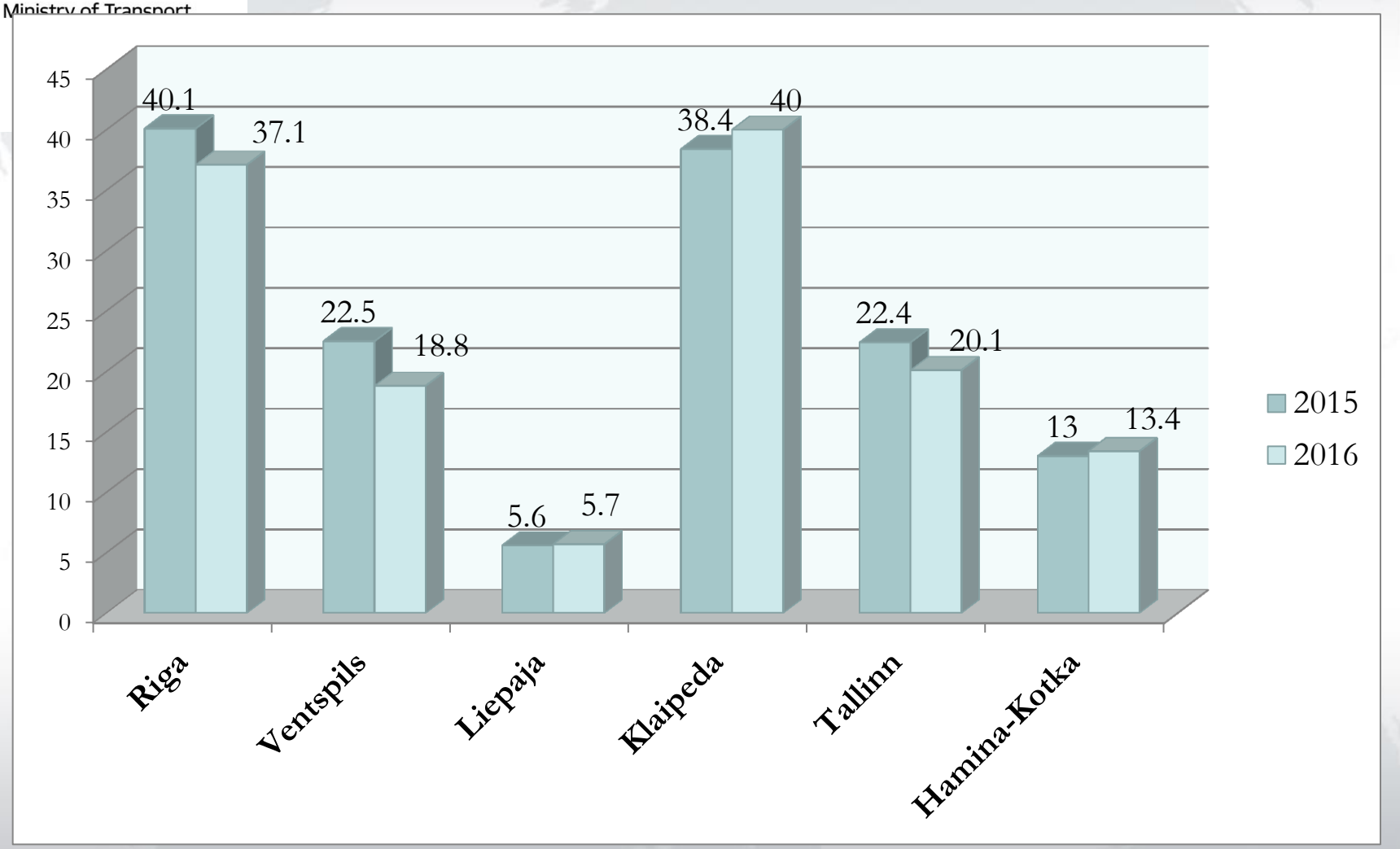
Cargo Turnover by ports mio t.



Source: Ministry of Transport

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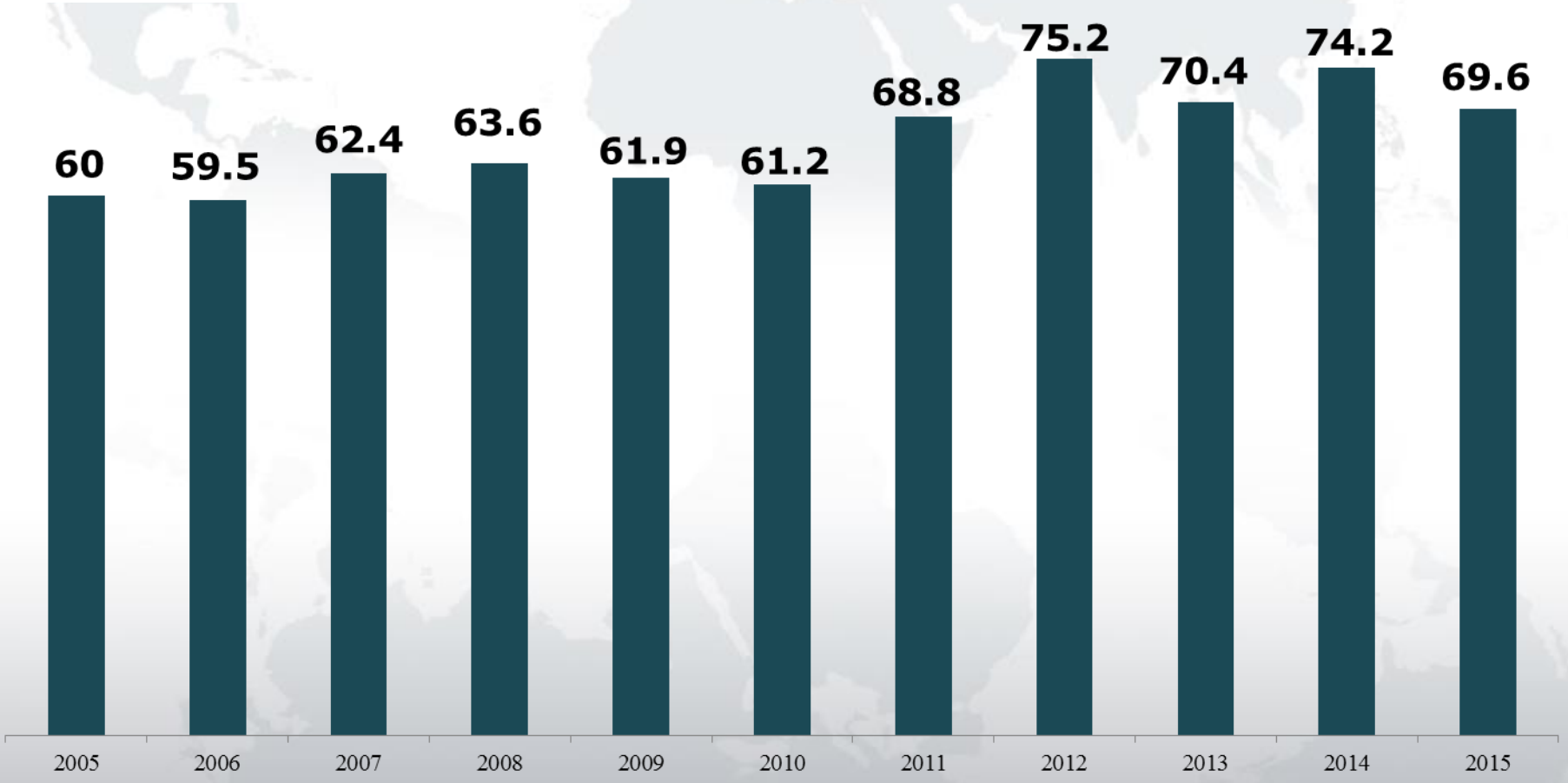
CARGO TURNOVER IN LATVIAN PORTS 2005-2015 (million t)



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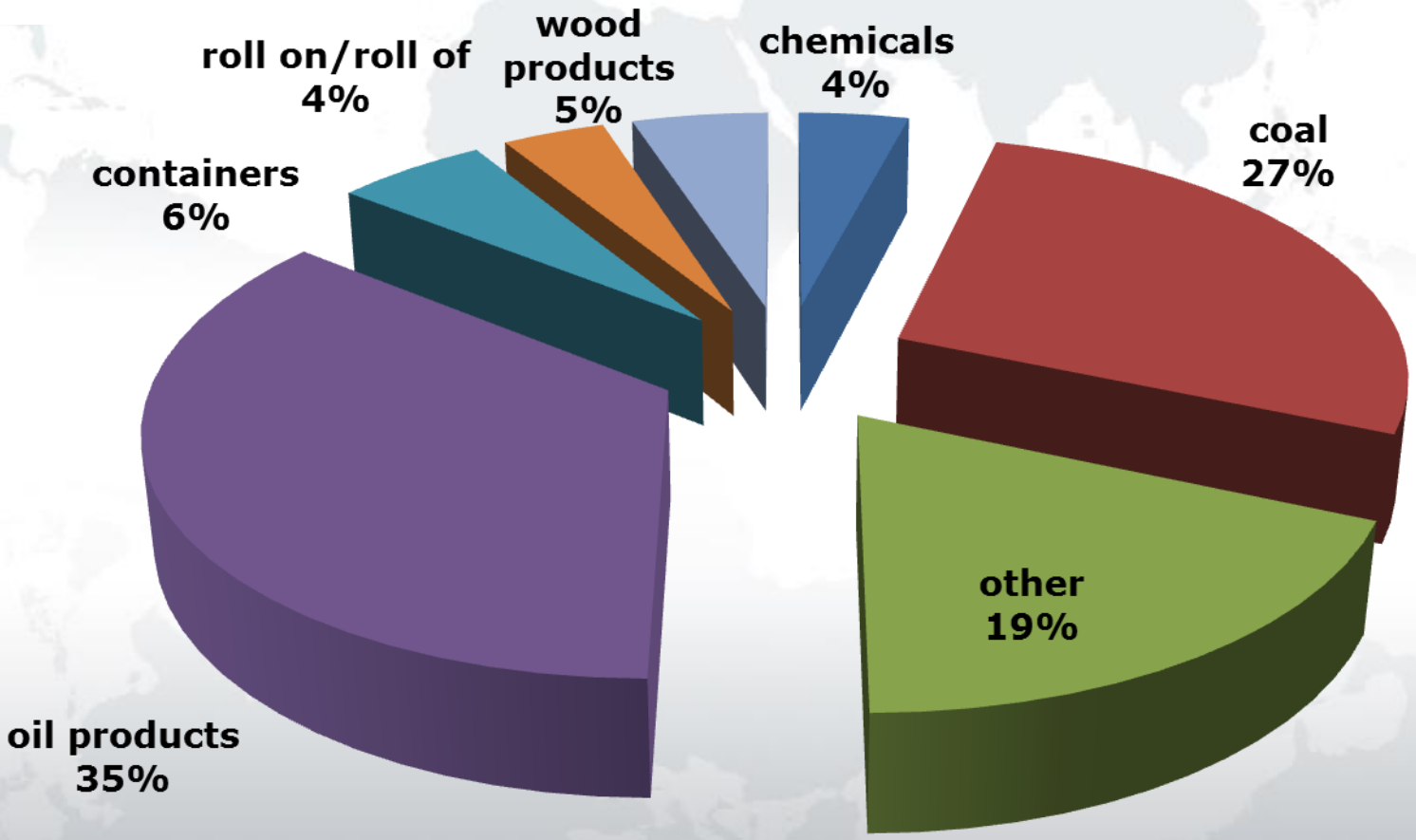
CARGO STUCTURE IN PORTS IN 2015



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SEA CONNECTIONS

Port of Riga

Containerships

Riga –Teesport – Thamesport - Rotterdam – Zeebrugge - Lubeck - Helsinki – St. Petersburg –Klaipeda – Aarhus

French Baltic Line (CMA-CGM)

Hamburg – Bremerhaven– Riga- Klaipeda

UniFeeder Container Service

Rotterdam – Hamburg - Bremerhaven – Riga – Klaipeda- Gdynia/Gdansk

Mann Lines Multimodal

Riga – Helsinki – Kotka – Ust-Luga – Klaipeda - Rotterdam

Mediterranean Shipping Company (MSC)

Antwerpen – Bremerhaven – Riga – Tallinn

Hapag-Lloyd AG

Hamburg – Bremerhaven-Gdynia – Riga – St.Petersburg- Rauma – Gavle

Maersk Line / Seago Line

Gdansk- Ust-luga - St.Petersburg – Riga

Tallink

Riga – Stockholm

X-PRESS feeders

Rotterdam-Riga-Klaipeda-Rotterdam

Other lines - **OOCL, CSCL**, **Evergreen**, *etc. using services of common feeders*

Port of Ventspils

Stena Line

Ninesham-Ventspils-Ninesham

Travemund – Ventspils-Travemund

Port of Liepaja

Stena Line

Travemund – Liepaja – Travemund

Nineshamn – Liepaja - Nineshamn

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RAILWAY BENEFITS

Benefits:

- single infrastructure
- single rolling stock
- unified information exchange system
- single documentation

There is no need:

- to spend time at bordercrossing
- to change wheels
- to change the documentation
- to make customs clearance on the border

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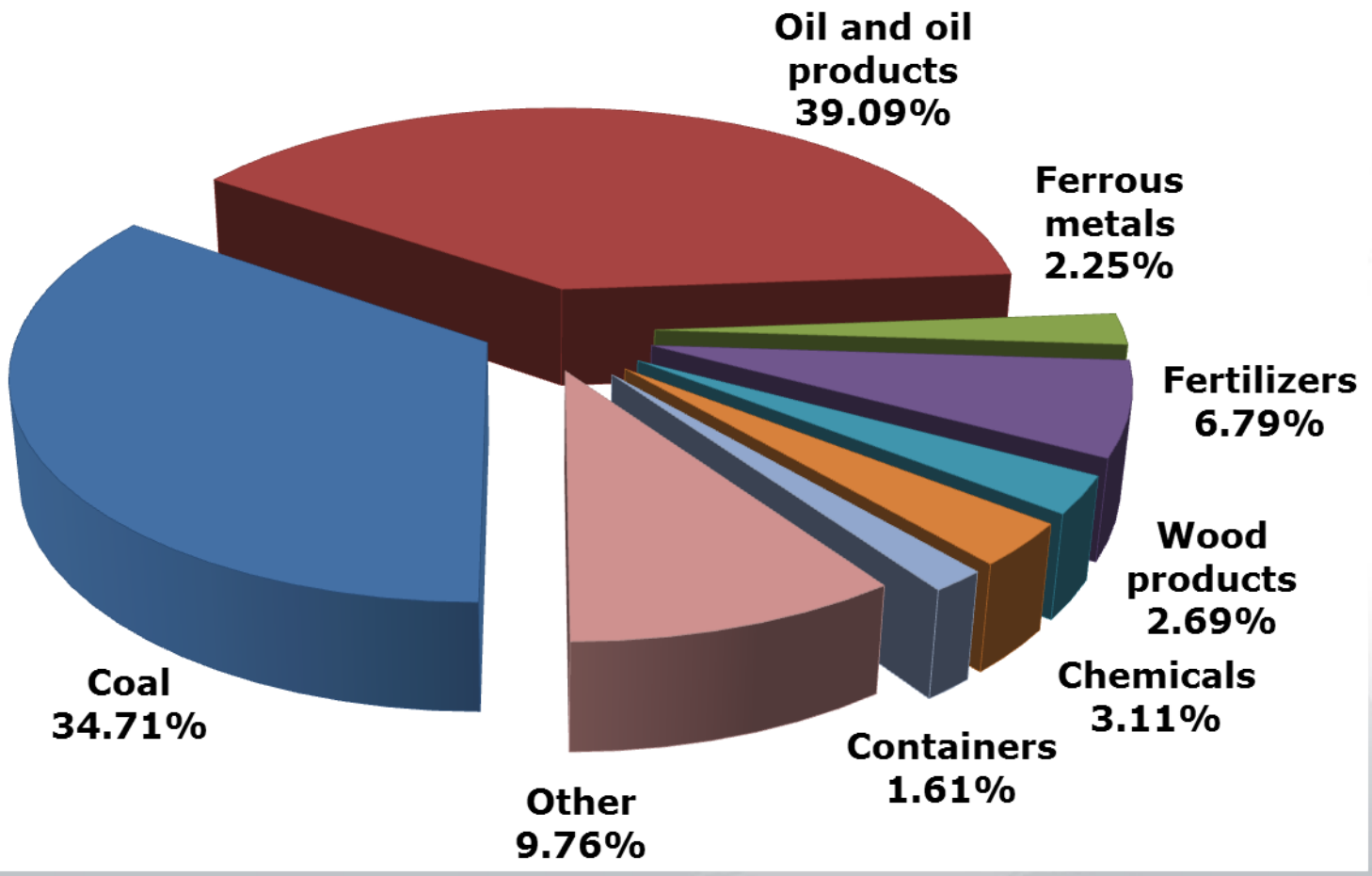
CARGO STRUCTURE IN RAILWAYS
in 2015



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SPECIALIZED CONTAINER TRAINS

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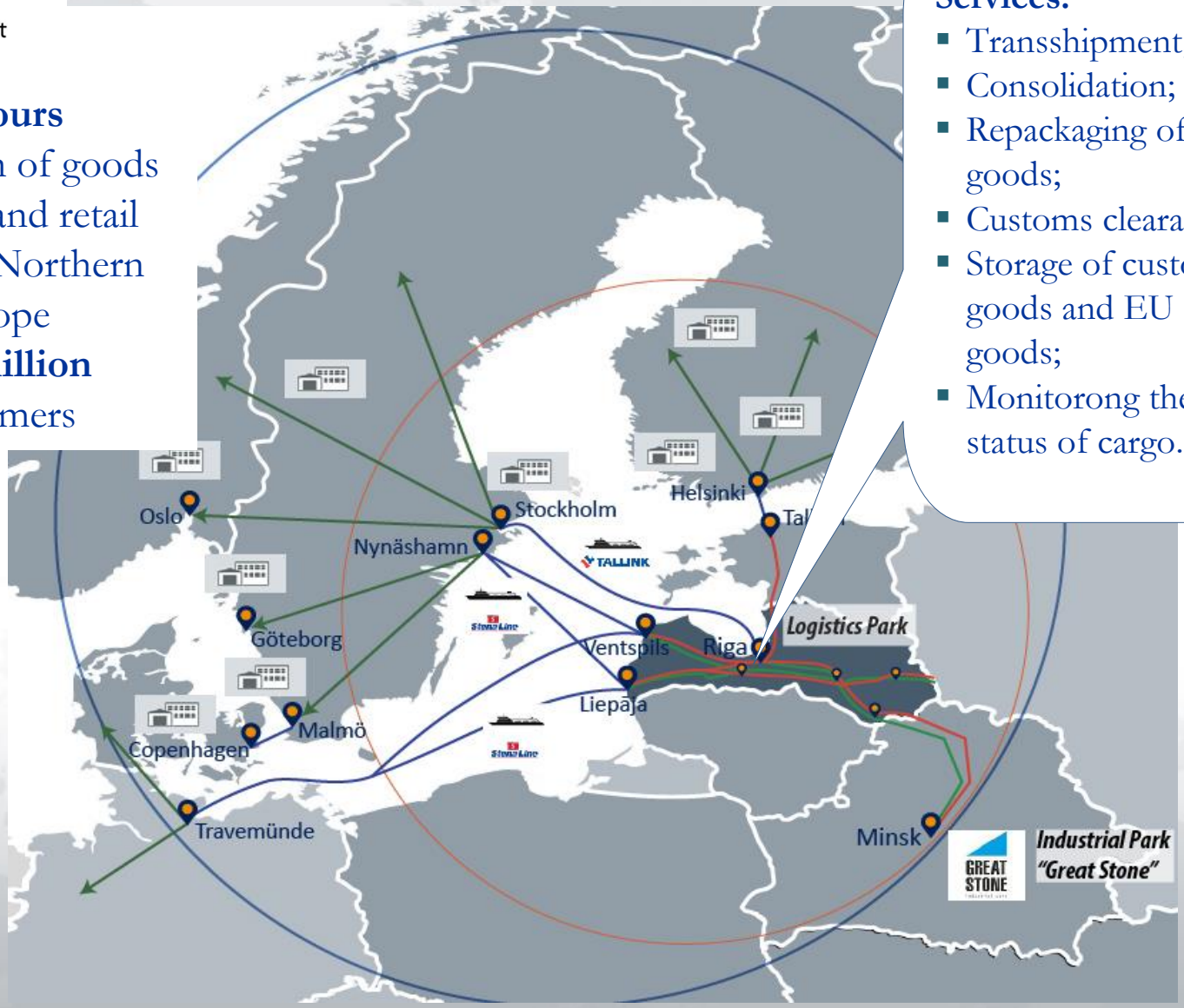
DISTRIBUTION

48 hours
distribution of goods to stores and retail chains of Northern Europe
26.4 million
consumers



Services:

- Transshipment;
- Consolidation;
- Repackaging of goods;
- Customs clearance;
- Storage of customs goods and EU goods;
- Monitorong the status of cargo.

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DISTRIBUTION SERVICE

26,4 MILLION CONSUMERS REACHABLE WITHIN 48 HOURS

- Latvia is perfectly located to provide logistic and distribution services in **Baltics** and **Scandinavia**;
- Within **24 hours** goods can be delivered to any customer in the Baltic states and even till Helsinki, Stockholm and Warsaw;
- In **48 hours** we provide deliveries to any consignee within Scandinavia with total consumer market **26.4 million people;**
- We can use any type of transport: road, rail, sea and air;
- Wide range of customs warehouses, logistic centers, forwarding companies available.

Import through customs warehouses:

- Entry of goods into the EU without paying customs duty and VAT on the borders
- Transportation under customs control to the customs warehouses or free zones in Latvia
- Storage of goods under customs control (selling and buying operations allowed)

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DISTRIBUTION IN THE BALTICS

INFRASTRUCTURE

- **Roads**: To the east, Latvia is one of only three EU countries that have a direct-access border with Russia, making it ideal for east/west trade. The Russian highway M9—the developed road-freight route known as the Baltic Highway—connects Moscow directly with Riga, where it also joins with the Via Baltica highway running north and south between Helsinki and Prague.
- **Rail**: Latvia's rail is reliable, even used by NATO to deliver non-military supplies directly from ships from Latvian ports through to Afghanistan. The Trans-Siberian railway connects Riga directly with Moscow, with regularly-scheduled, container-block trains. Latvia and Russia share a common railway gauge and an infrastructure base that continues to facilitate growth in the flow of trade.
- **Air**: Riga International Airport (RIX) is the largest airport in the Baltics with direct flights to more than 80 destinations around the world. RIX is also conveniently located, directly connecting with major roads including Via Baltica and the Baltic Highway.
- **Other services**
- All other infrastructure needs are readily served in Latvia, including utilities (gas, electricity, heating, etc.), water and waste disposal.

Infrastructure

EU Funds for Latvian ports

In the programming period 2014-2020 there are 74,11 million EUR from the EU Cohesion Fond available for improving of public infrastructure in big Latvian ports. The total funding is **87,19 million EUR** (74,11 million EUR from the Cohesion Fund and 13,08 million EUR national financing).

The activities supported are

- rebuilding and restoration of moles,
- breakwaters, piers, shore strengthening,
- engineering network construction, road and rail access infrastructure development,
- fire safety and environmental requirements,
- equipment acquisition, infrastructure construction, etc.

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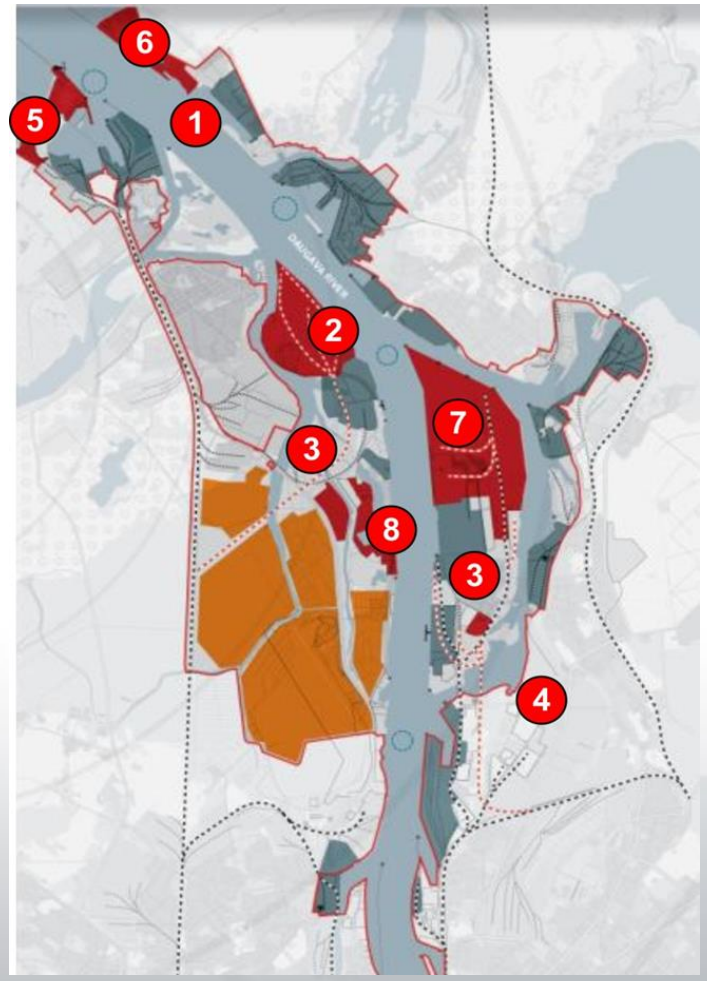
DEVELOPMENT PROJECTS IN FREE PORT OF RIGA



Port Authority's Investments:

1. Deepening of the fairway to 15 – 17m;
2. Multifunctional dry bulk terminals on the *Krievu sala*;
3. Modernization of the port's railway network;
4. Construction of a new railway bridge

Private Investments:

5. Oil products terminal in *Bolderaja*;
6. Liquified natural gas (LNG) terminal in *Daugavgrīva*;
7. Terminals on the *Kundziņsala* island (fertilizers, containers, grain and logistics park);
8. Terminal for production and handling of bioethanol

445 ha of land available for development in *Spilve* greenfield areas; large scale industrial projects for cargo handling and processing, logistics and regional distribution *(orange colour on map)*.

Total port investment portfolio 1.1 bln EUR

- Port Authority's investment 300 mln EUR
- Private investment 757 mln EUR

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DEVELOPMENT PROJECTS
in freeport of Ventspils

- Northern Port Project

Area: ~**100** ha + possible landfill in the sea

Long term (**45+45** years) land lease agreement

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DEVELOPMENT PROJECTS
in freeport of Ventspils

- Development sites for technology, industrial and logistics companies

Large scale industrial sites located in the special economic zone and available for rent or purchase

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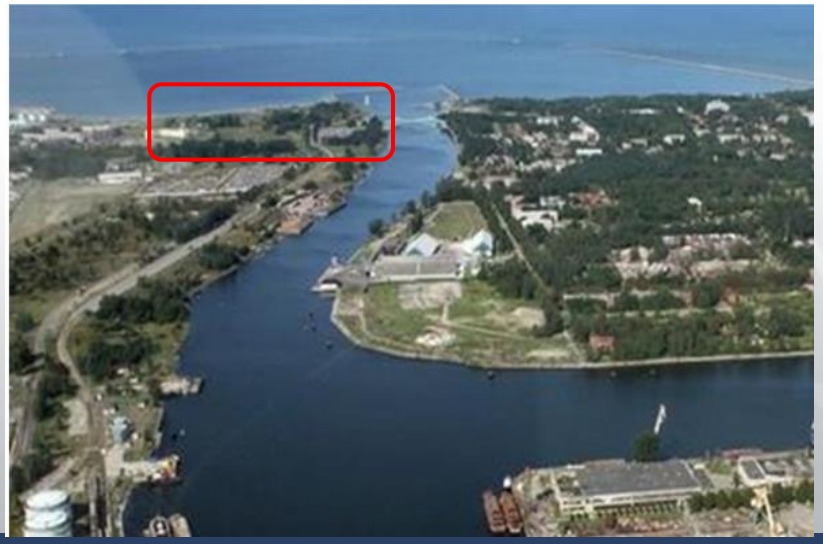
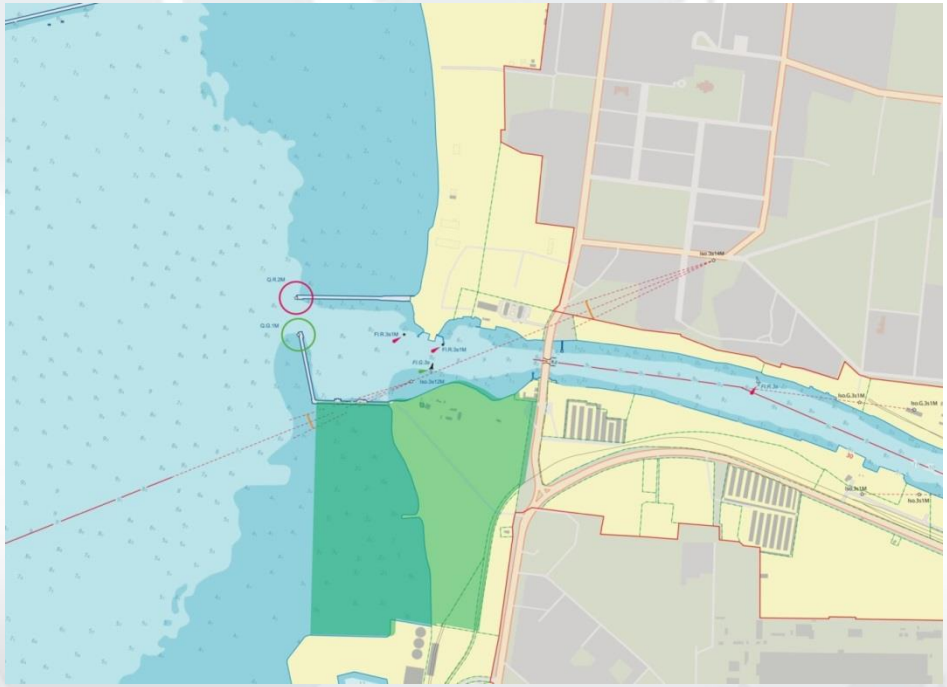
DEVELOPMENT PROJECTS IN LIEPAJA

Greenfield territory for development of combined general cargo, RO-RO and container handling terminal:

Land territory: **16** ha, by executing land reclamation works: **30** or more ha

Coastline length: **700** m





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DEVELOPMENT PROJECTS IN LIEPAJA

Greenfield territory for development of combined general cargo, RO-RO and container handling terminal:

Land territory: **25** ha, by executing land reclamation works: **50** or more ha

Coastline length: **1000** m

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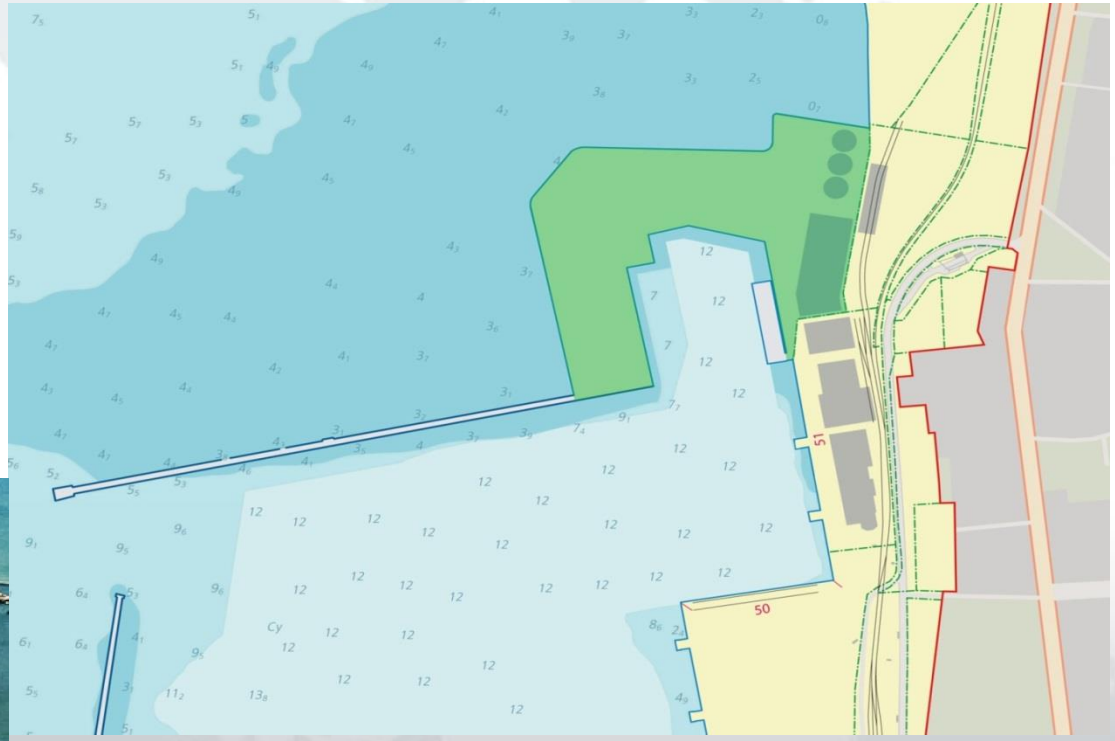
DEVELOPMENT PROJECTS IN LIEPAJA

Development of multifunctional dry bulk cargo handling terminal executed by company “Liepaja Bulk Terminal”

Company plans to build **3** new quays and large capacity Silos Park, increasing terminal throughput capacity up to **3** million tons per year.



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FREEPORT AND SEZ STATUS

Freeport and Special Economic Zone status provides for substantial tax reductions:

- Status of licenced company allows to receive direct tax relieves
- Licensed company fulfilling certain requirements of Free zone regime can receive both direct and indirect tax relieves
- Port authorities in cooperation with Latvian railway provide infrastructure for access to new terminals or industrial projects

Tax relieves

Direct taxes

- Income tax **80%**
- Real estate duty **80-100%**

Indirect taxes

- Value added tax **100%**
- Excise tax **100%**
- Customs duty **100%**

MARKET VISIT - LATVIA PORTS AND PORT RELATED SERVICES

The Danish embassy offers a study tour

The main objective of the market visit is to facilitate contacts between companies and relevant stakeholders from the port authorities, shipping agencies, stevedoring companies and other port related companies, as well as to learn about the business opportunities and the foreseen EU financed projects. Furthermore, the objective is to learn about the general development plans in the ports and in transit business in general. 1 ½ day program:

- **Day 1:** Seminar at the embassy:

Welcoming by Ambassador Hans Brask. Introduction to the priorities and further plans of the transit sector in the Baltics, by the Ministry of Transportation.

Introduction to EU Funds and possible financing for port infrastructure. Presentations by the Danish participants to relevant Latvian counterparts.

Networking B2B meetings

- **Day 2:** Site visit to Riga free port

Departure to the airport.

Participation Fee:

The price for the market visit is DKK 11.000 per company (subject to minor adjustments). Pls. request the application form.

When: The market visit is expected to take place in April, 2017, week 14.

COMMERCIAL WORK IN THE BALTIC STATES

What do we offer?

- Market research
- Partner search
- Sourcing and outsourcing
- Joint export promotion
- Recruitment
- Company establishment and setting up
- Events with the ambassadors
- Lobbying
- Stake holder management

The Commercial departments at the Danish Embassies in Riga, Tallinn and Vilnius are part of Nordic-Baltic region..
Our mission is to increase Danish exports to the Baltic.
The Commercial departments are working closely together – also with the Commercial department in Helsinki, Norway, Sweden and Iceland.

References

Falck
Kamstrup
focus NORDIC
ATEA
Glud & Marstrand
Cabinplant
DFDS
LIND
DBDH
Kohberg
KVIST INDUSTRIES
NORD
for a cleaner tomorrow
(Former Kommune Kemi)
GRUNDFOS
UNISENSE FERTILITECH
SSI SCHÄFER
Varimixer BEAR
avXperten
gorenje
metropak
CC
Making your products move
Select Salmon
-gourmet smokehouse...
KMD
IT MED INDSIGT
H. DAUGAARD
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TULIP
kolding havn
nøglen til grøn transport
JUSTSEN
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Questions