

MARKET VISIT - LATVIAN PORTS AND PORT RELATED SERVICES SEPTEMBER 27-28, 2017



Traditionally, Latvia has been bridging the exchange of cargo and goods between the East and the West – the Russian and western European markets. Today, Latvia still plays this advantageous role, mainly through the ice-free ports in Riga, Ventspils, and Liepāja, but changes are made in Latvia and the Baltic Sea Region. New trade routes are developing eastwards, and investments are being made in order to create a new dynamic situation.

Latvia has an excellent infrastructure, which is being upgraded constantly, and EU funds are allocated to this end. The projects include ports, railways, road transportation, and warehousing. Focus is also on different services such as customs brokerage, shipping agents, as well as forwarding agents and oil product pipeline operator services, which are all operating in international competition with the Baltic Sea Region countries in particular.

Cargo turnover

Over the past 5 years, cargo turnover in Latvian ports has been approximately 69-75 million tons, making Latvia a clear leader in cargo turnover among the Baltic States. The same applies to the railways. In 2015, 55.6 million tons were transported on Latvian railways. Cargo from Russia is, however, decreasing in volume, which in turn has pushed innovation and the search for new markets. The competitive labour force adds to the advantages of the Latvian market. Increasingly, the regional role that Riga's international airport and airBaltic are playing, is being highlighted as an advantage to Latvia's accessibility and overall competitiveness.

Latvian ports

Latvia has three major ice-free ports – Ventspils, Riga, and Liepāja as well as seven minor ports – Pāvilosta, Roja, Mērsrags, Engure, Jūrmala, Skulte, and Salacgrīva. The latter ones operate mainly as export ports for Latvian timber, fishery, and for tourism.

The three major ports have been accorded favorable incentive schemes to help attract new business (80-100% relief on direct taxes and significant discounts on indirect taxes (VAT, Excise)). Ventspils and Riga Ports are Free Ports, whereas the entire city and Port of Liepāja comprises a Special Economic Zone.

New cargo attraction

Latvia is looking to attract further cargo handling by better exploiting trading routes and transport corridors.

Today, the following multi-modal transportation routes are already highly prioritized:

- The land routes from China, Kazakhstan, and Russia to Latvia and further on to the other Baltic States, Scandinavia, and Germany;
- The sea route from China to Latvian ports and further on to Moscow, CIS countries, or the other Baltic States;
- The Black Sea-Baltic Sea route where goods are transported from Ukraine, Turkey, and the other Black Sea countries, or from Asia to the Baltics and Scandinavia via Latvia.

In a long-term perspective, the following routes are expected to gain importance:

- From China, Korea, and Japan via the Trans-Siberian railway to Latvia and further on to other EU countries;
- With the Rail Baltica railway line from Helsinki via Tallinn, Riga, and Kaunas to Poland and Germany; and vice versa.



EU funds

During 2014-2020, the Latvian Government has set aside 74,11 million EUR of the EU Cohesion Fond for improving the public infrastructure in the bigger Latvian ports.

The supported activities include the following improvements: 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, and general infrastructure construction.

Projects in the Freeport of Riga

The Freeport of Riga is part of the TEN-T North Sea–Baltic core network corridor. In order to develop and improve this corridor, the following projects are planned for the Freeport of Riga:

- Development of railway infrastructure in Kundzinsala (access roads and bridge) - project costs: 12 M EUR, implementation phase: 2014-2020;
- The access roads to the terminals - project costs: 30 M EUR, implementation phase: 2017-2020;
- Reconstruction of Shipping Channel within the port of Riga - project costs: 90 M EUR, implementation phase: 2015-2017;
- Provision of berths with shore power supply within the territory of the Freeport of Riga - project costs: 15 M EUR, implementation phase: 2021-2027.

Developments and improvements in port infrastructure are also foreseen in the other ports of Latvia.



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 – 3 days program:

Wednesday September 27: 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
Site visit to Riga free port

Thursday, September 28

B2B meetings, please request from the embassy

Friday, September 29

B2B meetings (Optional)

Individual visits to Klaipeda port can be also arranged upon request.

Participation Fee:

The price for the market visit is DKK 11.688 per company if you sign up before May 25. (subject to minor adjustments). After the price for the market visit is DKK 15.194 per company.

TRANSPORT AND ACOMMODATIONS

The participants shall make a flight reservation and hotel booking. However, the Embassy will be pleased to assist with regards to hotels and recommendation of possible flights.

When:

The market visit is expected to take place in September 27-28, 2017,

DEADLINE TO SIGN UP JUNE 30, 2017

FURTHER INFORMATION AND CONTACT

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