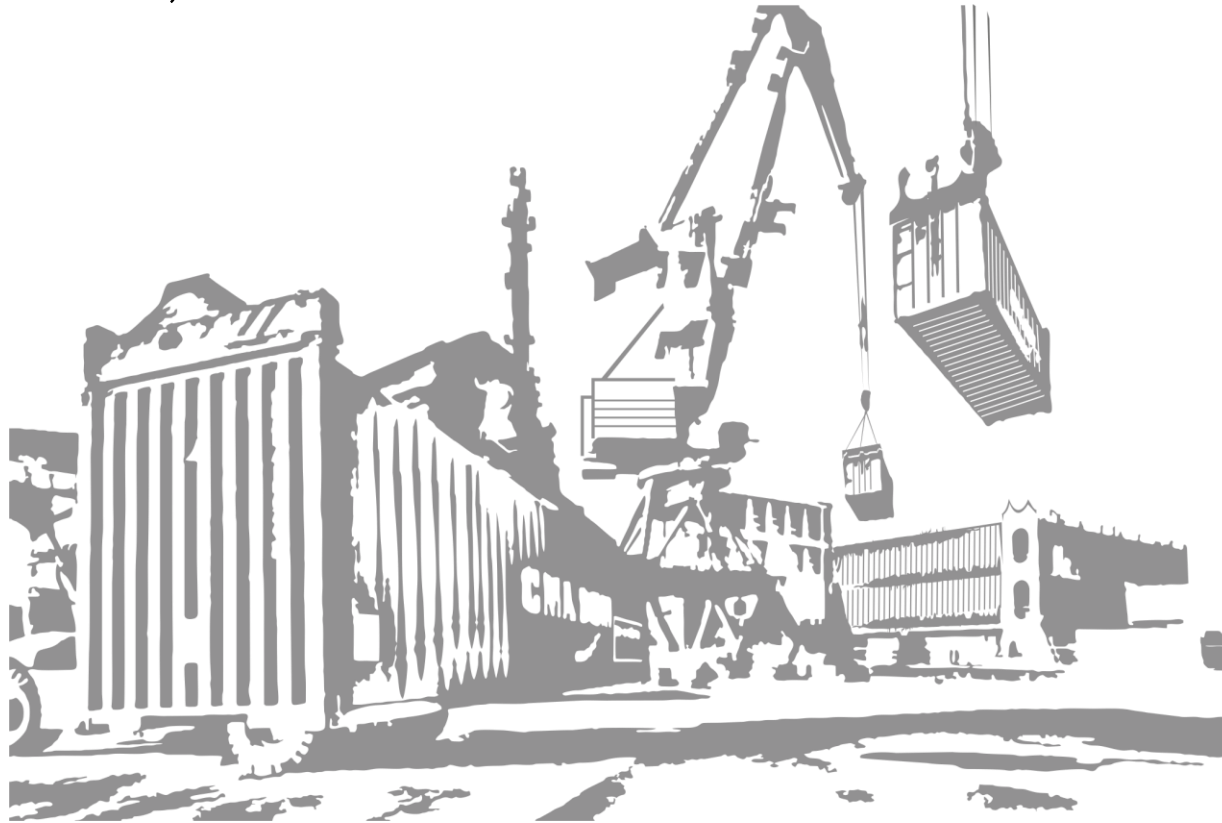


# DEVELOPMENT OF LATVIA AS A REGIONAL LOGISTICS HUB

VALDIS ANDERSONS, RIGA CONTAINER TERMINAL



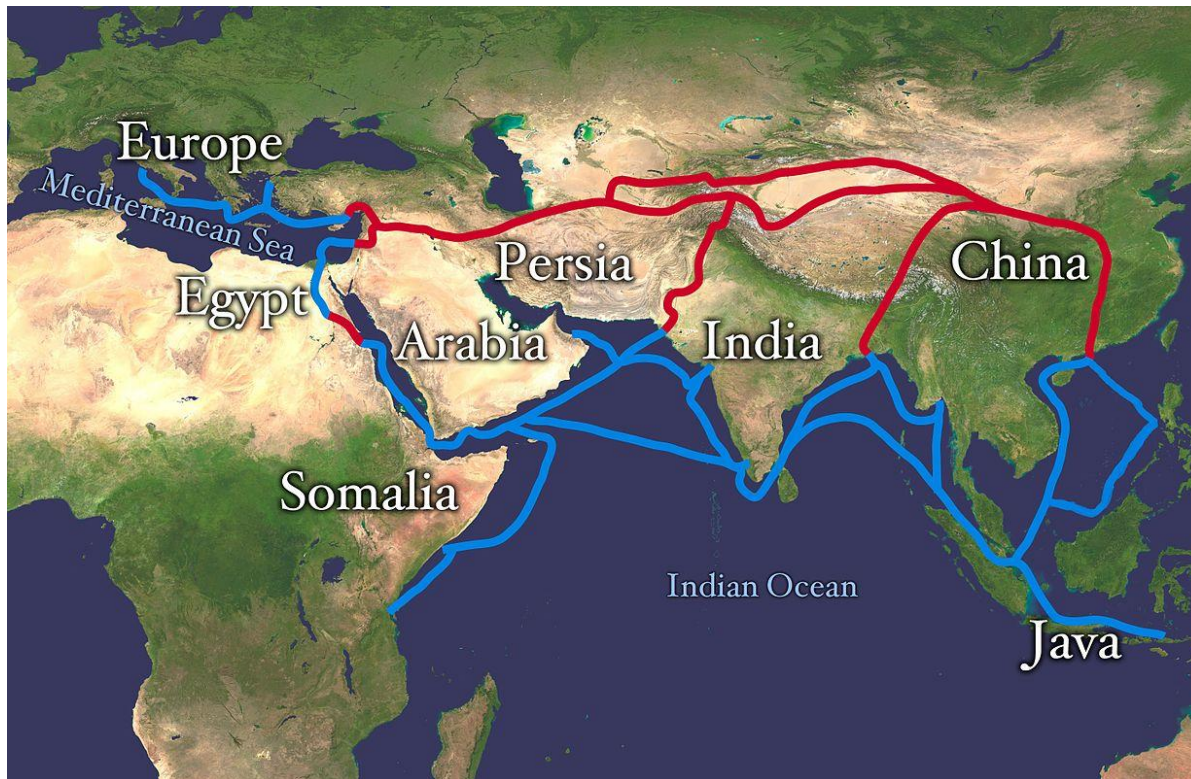
# HISTORICAL TRADE ROUTES IN BAL TIC REGION

- Vikings
- Hanseatic League (around 1200 a.d.)





# ANCIENT SILK ROAD

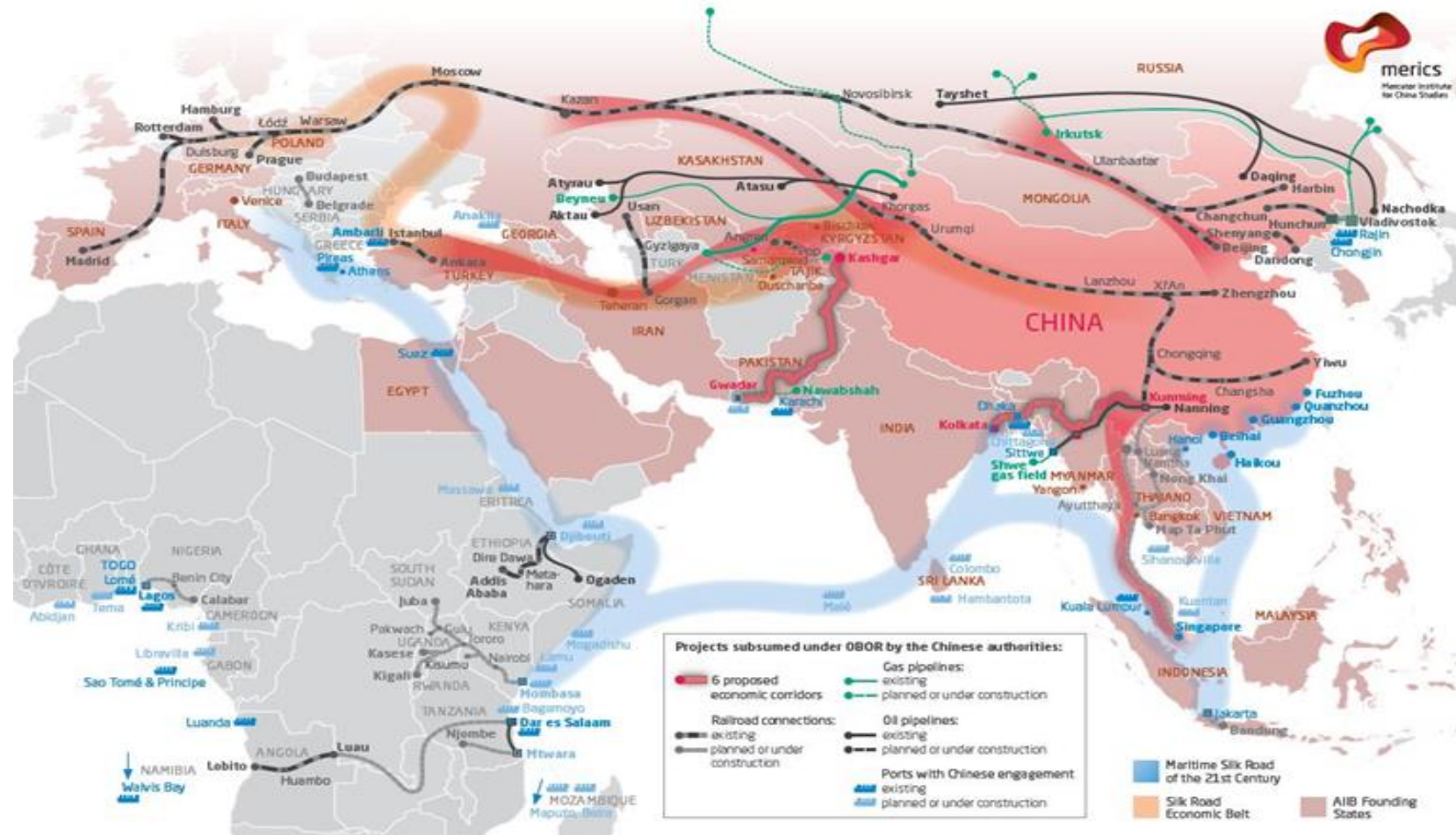




# SILK ROAD TODAY



# ONE BELT, ONE ROAD





# FIRST DIRECT CONTAINER TRAIN FROM CHINA

- November 2016 – first step of Latvian participation at New Silk Road

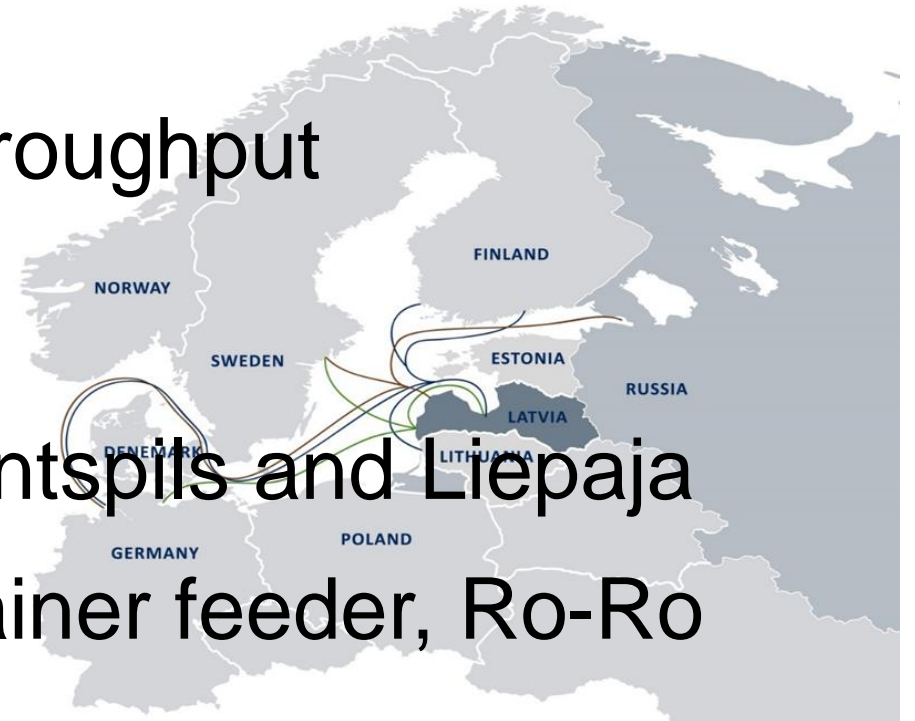


# WHY BALTIC ROUTE?

- Shorter and faster route to / from Scandinavian countries for Chinese cargo
- Alternative route to reach Germany bypassing congestions at Belorussian – Polish border
- Possibility to reach Benelux countries bypassing Belorussia, Poland and Germany
- Emerging solution for competing global players not involved in the existing transport corridors

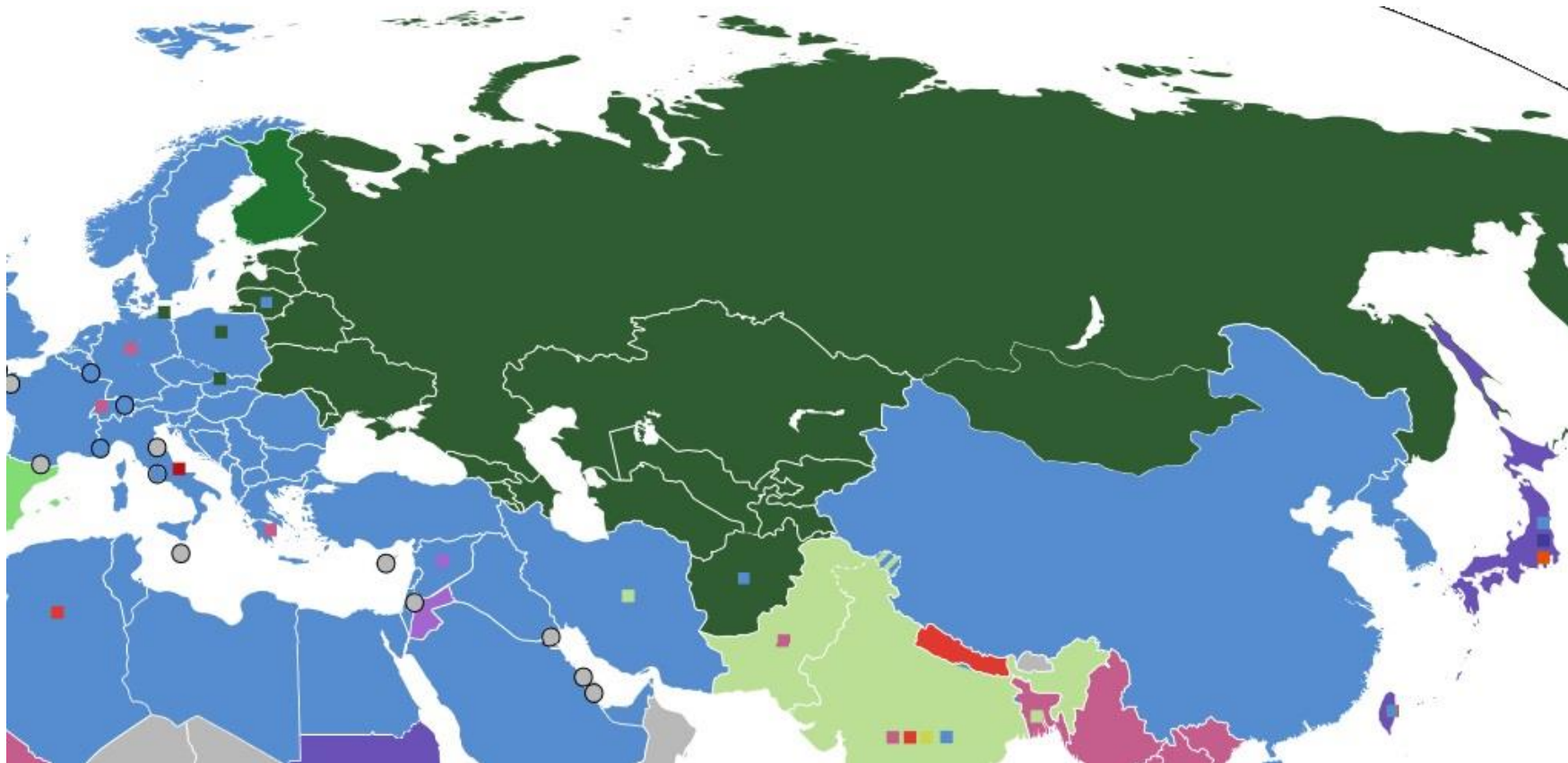
# ADVANTAGES OF SEA CONNECTIONS

- Flexibility - easy to change the transport capacity according to changing volumes
- Very high capacity - nearly no throughput limitations
- High level of neutrality
- 3 major ice free ports – Riga, Ventspils and Liepaja
- Connection possibilities by container feeder, Ro-Ro or chartered ships





# ADVANTAGES OF RAIL NETWORK



# BALTIC STATES TRADE VOLUMES AND DIRECTIONS

Baltic states trade dynamics and future estimations (in million tones)

	2004			2015			2025			2035		
	Export	Import	%	Export	Import	%	Export	Import	%	Export	Import	%
Poland	1.5	1.2	4.30%	4.8	3.1	9.90%	8.8	6.9	12.10%	11.4	8.1	12.60%
Germany	2.6	1.4	6.30%	4	1.5	7.00%	6.4	3.1	7.40%	7	3.7	6.90%
Benelux & UK	5.6	0.9	10.40%	8	2.4	13.20%	9.4	3.9	10.20%	10.1	4.4	9.40%
WCA I	0.7	0.7	2.30%	1.7	1	3.30%	2.4	2	3.40%	2.7	2.5	3.30%
WCA II	3.6	0.4	6.40%	3	0.8	4.80%	3.3	1.8	4.00%	3.5	2.2	3.70%
WCA III	0.6	0.3	1.40%	2	0.3	2.90%	2.8	0.8	2.80%	3.5	1	2.90%
Scandinavia	9.3	1.7	17.50%	7.7	3.5	14.00%	12.3	6.3	14.40%	13.5	7.4	13.60%
Finland	2.8	1.4	6.70%	2.9	3.1	7.50%	5	8.7	10.50%	5.7	13.5	12.40%
China	0	0.2	0.30%	0.7	0.4	1.40%	3.2	1.5	3.60%	5.1	1.9	4.60%
<b>1520 mm</b>	<b>2.3</b>	<b>25.5</b>	<b>44.40%</b>	<b>4.9</b>	<b>23.6</b>	<b>35.90%</b>	<b>8.7</b>	<b>32.2</b>	<b>31.60%</b>	<b>10.1</b>	<b>36.7</b>	<b>30.40%</b>
<b>Total</b>	<b>29</b>	<b>33.7</b>	<b>-</b>	<b>39.6</b>	<b>39.8</b>	<b>-</b>	<b>62.2</b>	<b>67.1</b>	<b>-</b>	<b>72.7</b>	<b>81.5</b>	<b>-</b>

WCA I Austria, Croatia, Czech Republic, Italy, Slovakia, Slovenia  
WCA II France, Portugal, Spain, Switzerland  
WCA III Bulgaria, Greece, Hungary, Moldova, Romania, Serbia, Turkey

# EXISTING FREIGHT FLOWS ON EAST – WEST AXIS

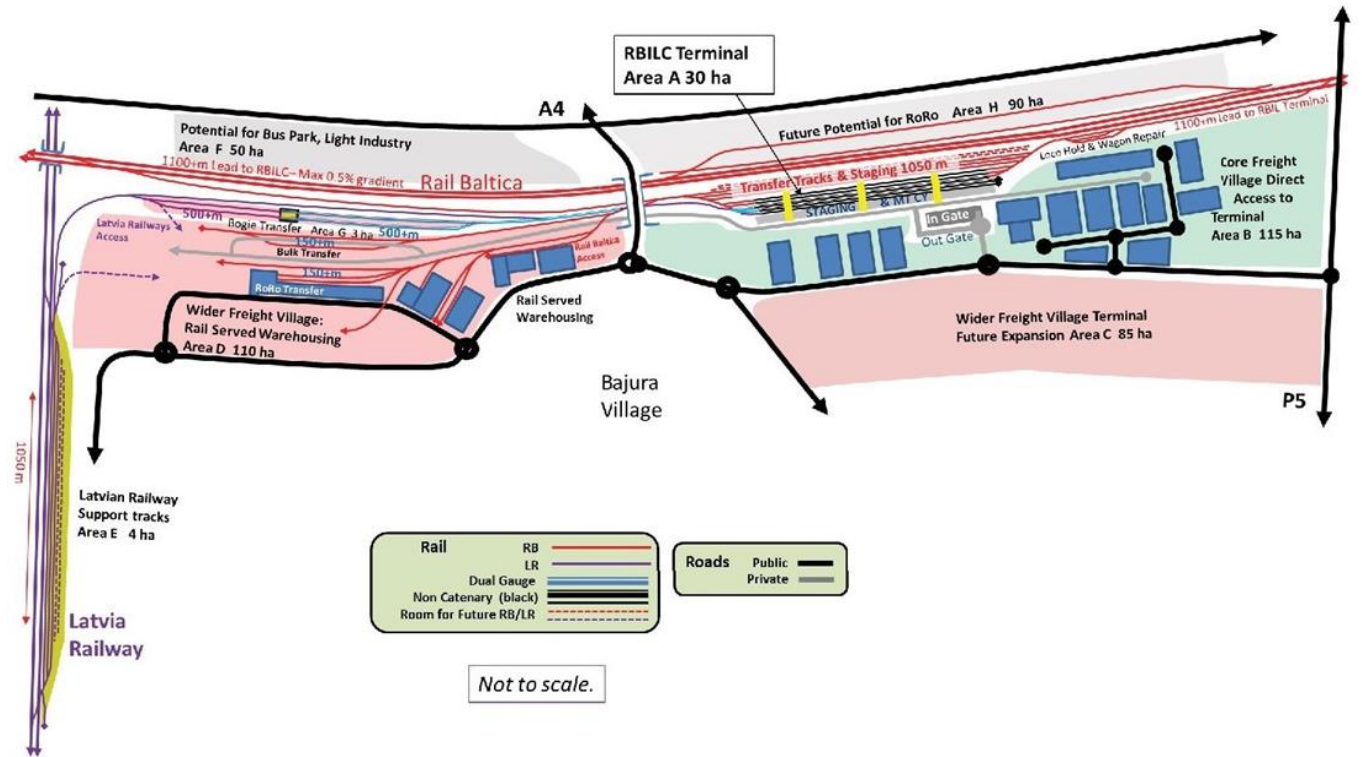
- Freight flows from East to West
  - Latvia as a water gateway for 1520 countries without direct access to sea
  - Export cargo from Russia, Kazakhstan and other CIS countries towards Europe
  - Chinese cargo towards Europe, Scandinavia - transported by rail
- Freight flows from West to East
  - Chinese cargo arrived by sea to Europe and heading towards Russia or Belorussia
  - European cargo to 1520 countries
  - Rest of the world towards 1520



# EXISTING FREIGHT FLOWS ON NORTH – SOUTH AXIS

- Very limited amounts
- Mostly transported by trucks in transit
- Finland / Scandinavia – huge flows by sea to Germany or Poland are bypassing Baltics
- New possibilities - Rail Baltica

# RAIL BALTICA



# NEW CHALLENGES

- Integration in European 1435mm cargo network
- Development of synergy with 1520mm cargo network
- New cargo volumes from / to South-East Europe
- New cargo volumes from / to Western Europe partly replacing sea connections



# REGIONAL LOGSITCS HUB – OUR ADVANTAGES

- **Infrastructural advantages:**
  - Access to both – 1520mm and 1435mm rail cargo networks
  - Huge and diversified port handling capacity
  - Road and logistics facilities
- **Geographical advantages - location:**
  - Distribution center towards Scandinavia and Western Europe for cargo from China and 1520 countries
  - Distribution center towards Moscow & St. Petersburg regions for cargo from Europe
  - HUB for Post / Express / e-commerce shipments by rail replacing airfreight and short «last mile» delivery times

# WHY LATVIA ?

- Central location within Baltic countries
- Developed ports, rail and logistics infrastructure
- Long historical experience in multinational trade and logistics
- Solid base of logistics companies and logistics professionals



THANK YOU FOR YOUR  
ATTENTION!