ОТЛК

ОБЪЕДИНЕННАЯ
ТРАНСПОРТНО-ЛОГИСТИЧЕСКАЯ
КОМПАНИЯ

# JSC UNITED TRANSPORT AND LOGISTICS COMPANY AND FUTURE DEVELOPMENT OF TRANSPORT POTENTIAL FOR THE COUNTRIES OF THE COMMON FREE MARKET ZONE

# Establishment of the Common Free Market Zone (CFMZ)

ОТЛК ОБЪЕДИНЕННАЯ ТРАНСПОРТНО-ЛОГИСТИЧЕСКАЯ КОМПАНИЯ

The basic premises for UTLC establishment

**The main stages of CFMZ establishment**

17 agreements about the Common Free Market Zone were ratified by Russia, Kazakhstan and Belarus on December, 9, 2010

July 2012 is the start of the Common Free Market Zone operation

**The main decisions**

1. Elimination of customs barriers within CFMZ;
2. Unification and simplification of customs procedures at the outer boundaries of CFMZ (including implementation of e-document management);
3. Unification of shipping documents in CFMZ countries;
4. Further infrastructure tariff synchronization within the frameworks of CFMZ
5. Development of unitary transport, energy and information systems

**Impact on transport sector**

- **Cutting delay time for flatcars and containers at the border checkpoints**
- **Steady and smooth international shipments**
- **Speed gain for block trains**
- **Fixed tariff setting**
- **Quality assurance for the end-to-end service**

*The source: portal Common Free Market Zone EurAsEC, MED, FAS, mass media analysis*

# Economic growth of the Western China creates the cargo base for transit to the Central Europe

- **Development plan for the Western China in 2011-2015:**
  - **Investments over USD 1,000 billion**
  - **15,000 km of new railways**
  - **Xinjiang Uyghur Autonomous Region: Investments of USD 104 billion**
  - **Sichuan province: free economic zone with 173 world leading companies**
  - **Chongqing is the world leader in the electronic industry**


## Overall cost of transportation

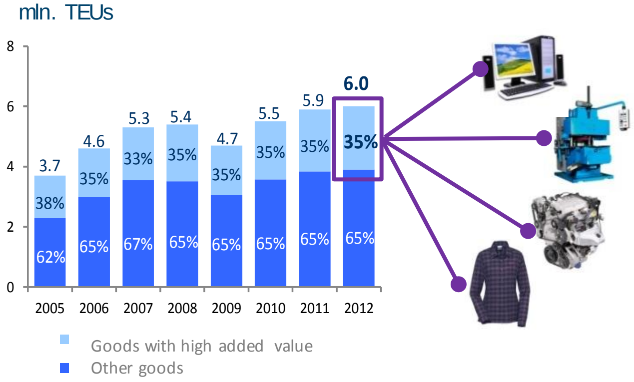
(taking into account the time factor)

| | Poland, Slovakia | Germany, Belgium, Netherlands | France, Italy | Spain, Portugal |
|---|---|---|---|---|
| Western China | | | | |
| Central China | | | | |
| Eastern China | | | | |

*The source: Deutsche bank*

# The transit potential is estimated at 1 million TEUs per year

## The share of goods with high added value in cargo turnover China-EU is 35-40% …

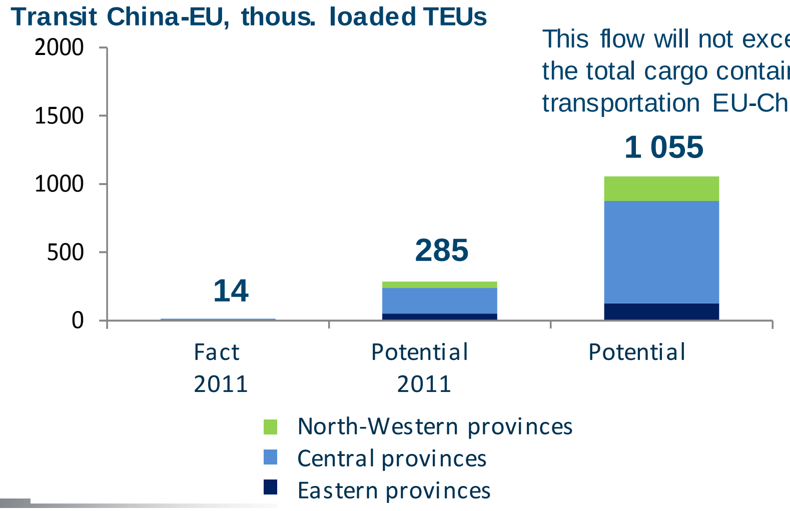



- Electronics
- Equipment
- Engineering tools
- Auto parts
- Fashionable clothes

- High cost of working capital
- Slight share of logistic expenses in final cost of goods
- Quick return/ quick change of trends

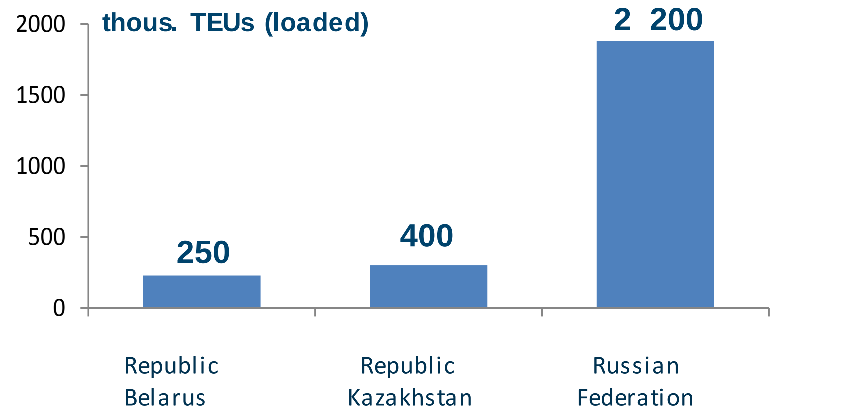
… and these commodity groups are very sensitive to delivery time

## The potential of switching such goods to the land corridor China-EU is 1 mln TEUs




This flow will not exceed 7% of the total cargo container transportation EU-China-EU

## For reference: the actual volumes of cargo container transportation in 2014



# The growth of transportations has already started …

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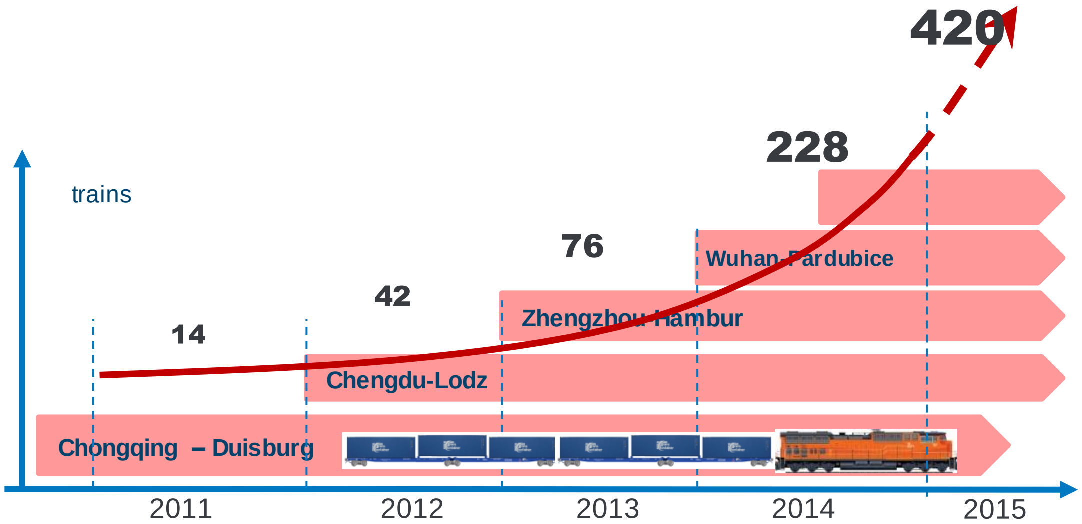



| Route | 2011 | 2012 | 2013 | 2014 | Всего |
|---|---|---|---|---|---|
| Chongqing – Duisburg | 14 | 40 | 35 | 92 | 181 |
| Chengdu-Lodz | | 1 | 30 | 45 | 76 |
| Zhengzhou-Hamburg | | | 11 | 71 | 82 |
| Wuhan-Pardubice | | 1 | | 19 | 20 |
| Yiwu-Madrid | | | | 1 | 1 |
| **Total:** | **14** | **42** | **76** | **228** | **360** |

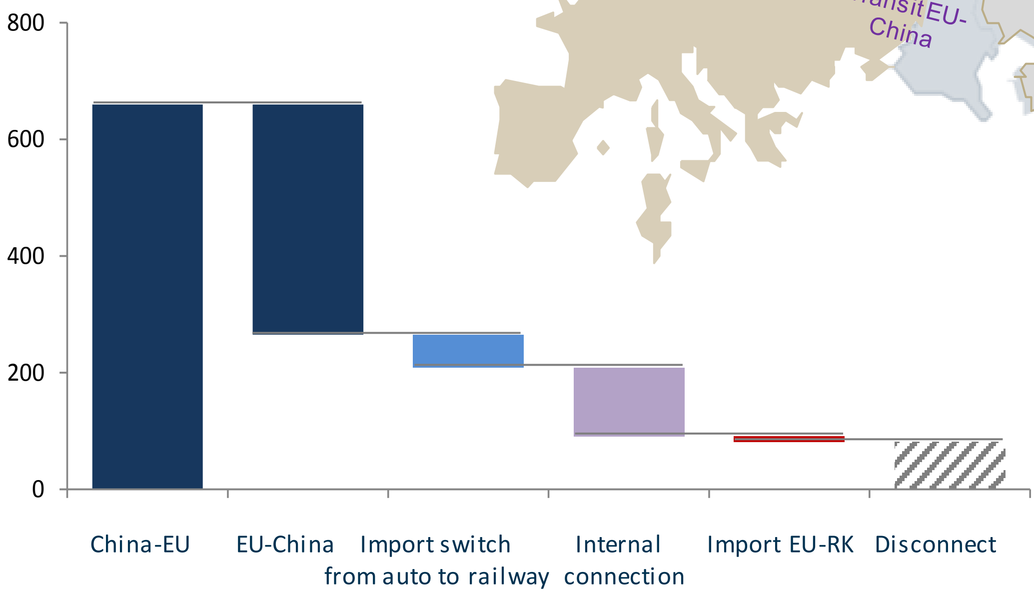
## The customers have already appraised the advantages of the routes

# .. transit potential may be realized only to scale of total transportation network



## Corridor optimization due to back loading

- Misbalance of cargo flows in directions China-EU and EU-China
- Import from EU to CFMZ countries is restrained by lack of back loading
- Possibility to switch part of road import to railway import
- Use of internal flows of CFMZ countries: the predominant vector is from West to East

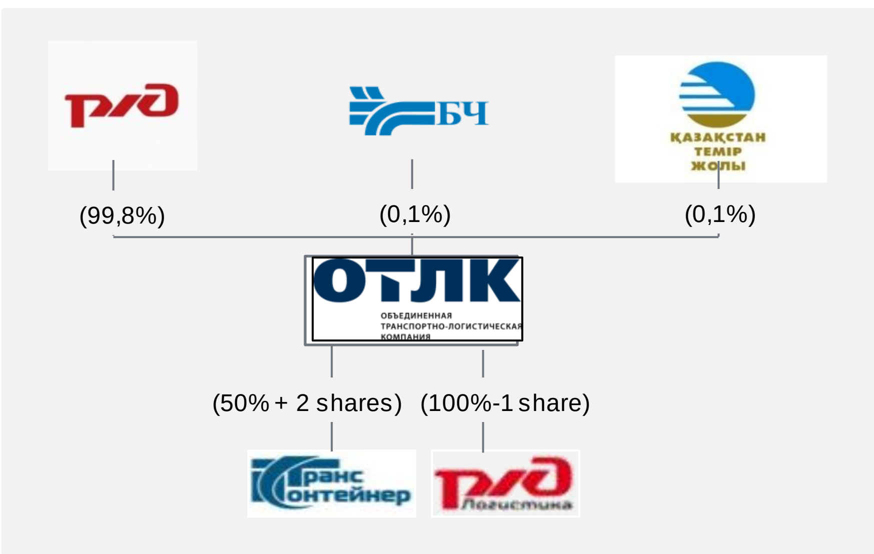

**Due to cargo flow combination the misbalance may be reduced sufficiently**

# UTLC’s goal is to realize the transport potential of CFMZ

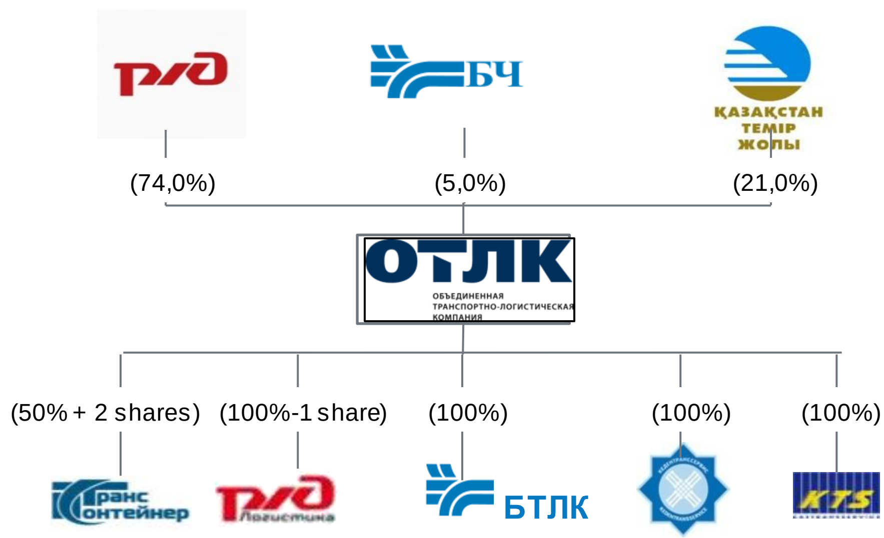
**The mission of UTLC group:**

- development of transport and logistics business in the territory of CFMZ
- rise in the value of the Group and all its subsidiary companies in particular
- providing with synergetic effect from assets use
- positive contribution to economics of CFMZ countries

Stage I
Current structure of UTLC group




Stage II
Future structure of UTLC group



# UTLC is the market leader in terms of scale …


**67** Cargo terminals

incl. **5** Transshipment terminals at the border

**4** Railway ferries

**71.2 thous.** IOS-containers

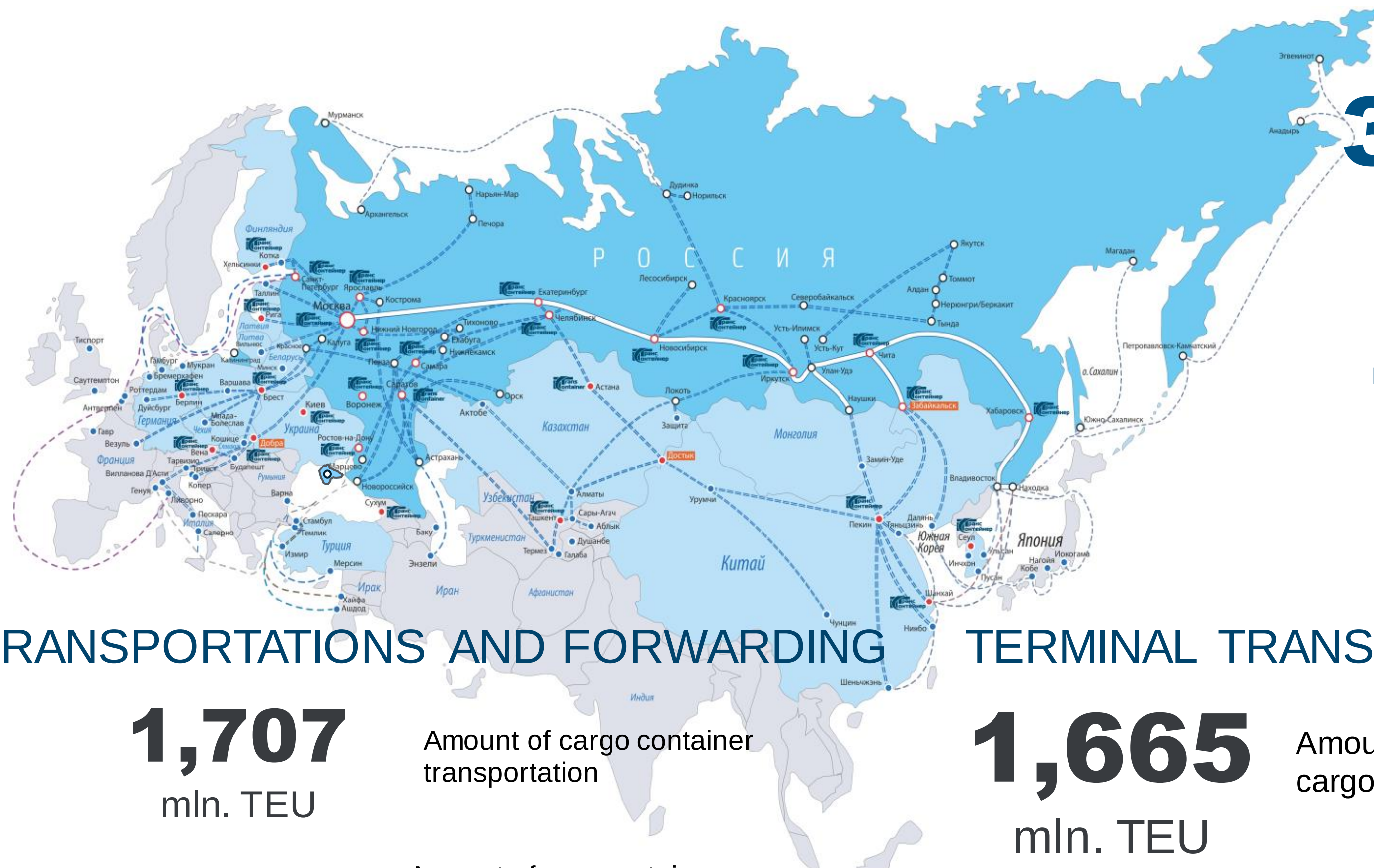
**32.8 thous.** Flatcars under management

**869** Own truck fleet

Over **7000** employees

# … and the network covering of business

ОТЛК
ОБЪЕДИНЕННАЯ ТРАНСПОРТНО-ЛОГИСТИЧЕСКАЯ КОМПАНИЯ




**300 000**
routes

**70 000**
customers

## TRANSPORTATIONS AND FORWARDING

**1,707** mln. TEU — Amount of cargo container transportation

**39,2** mln. ton — Amount of non-container cargo transportation and forwarding

**756** thous. ton — Amount of ferry transportation

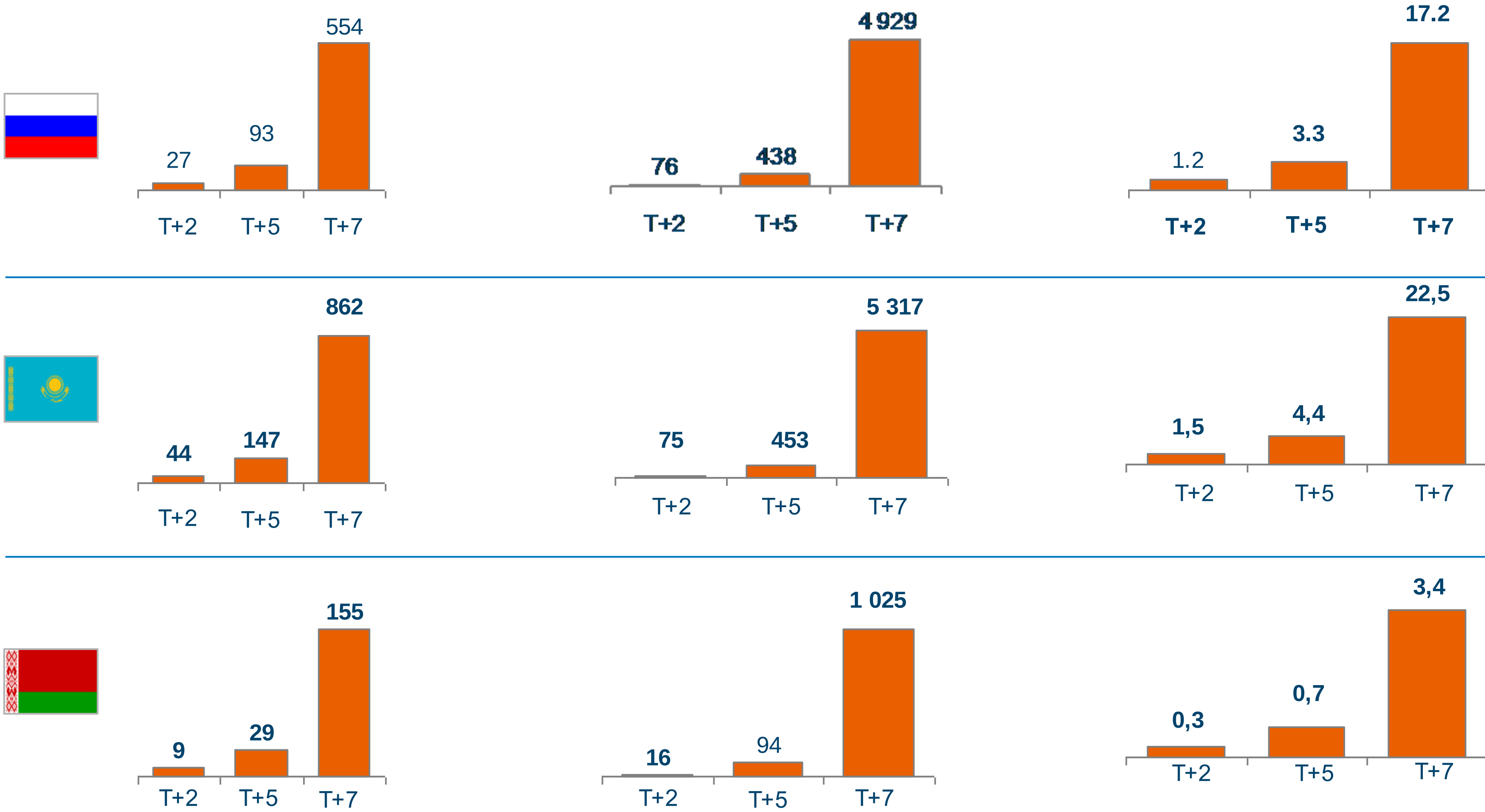
## TERMINAL TRANSACTIONS

**1,665** mln. TEU — Amount of container cargo handling

**3,3** mln. ton — Amount of non-container cargo handling

# Macroeconomic effect for CFMZ countries

| Income from infrastructure use (mln. USD)[2] | Contribution to GDP (mln. USD)[3] | Creation of working positions[4] (thous. units, accumulated) |
|---|---|---|




1. Net sales of all CFMZ administrations. 2. Only for EU-China transit volumes and potential of import sw itching from road and sea freight to railw ay, in 2018 an extra-inflation tariff grow th for infrastructure by 5% is planned. 3. Note: all estimations are given in prices of 2012. 5. The calculation is given w ith due regard to multiplicative effect on economics, namely the w orking positions not only in transport industry. The calculation covers increase of labour efficiency of certain economics in 2012.

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# Thank you for your attention!

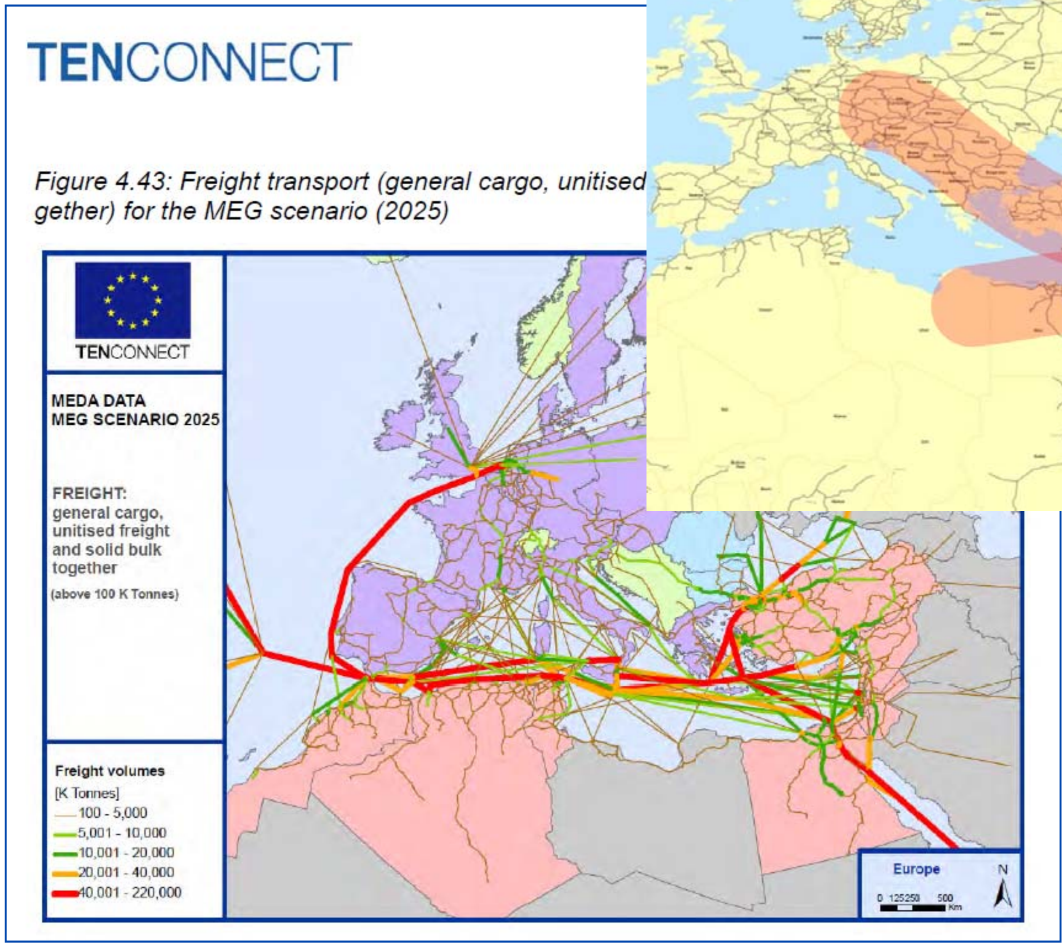
CER

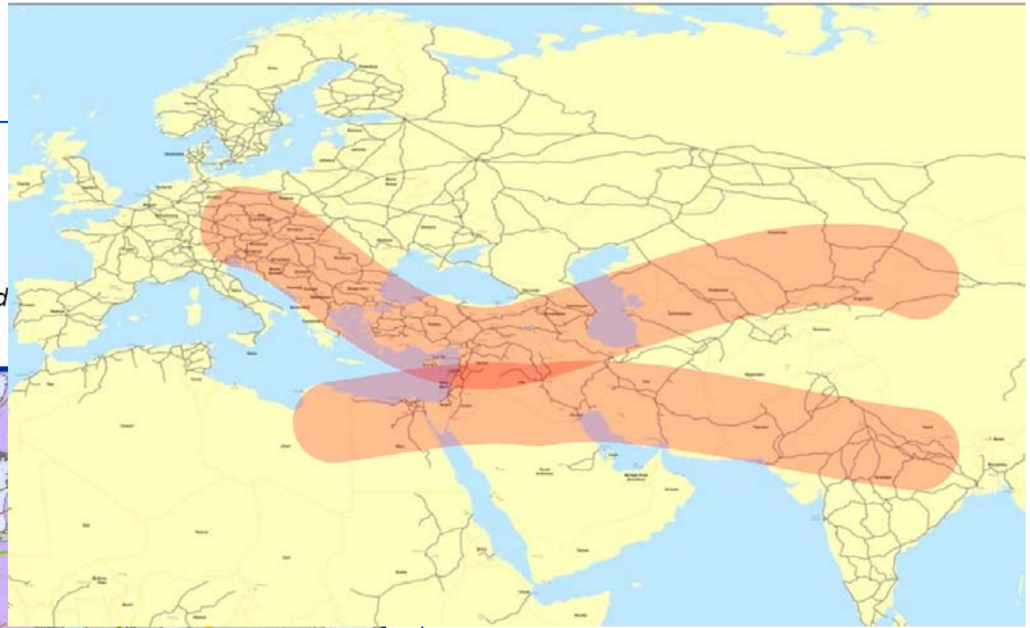
*The Voice of European Railways*

# *Prospects and challenges for rail in view of the development of new EU-Asia connectivity*

3rd ASEM Transport Ministers' Meeting, Riga

# Huge demand for good East-West logistics

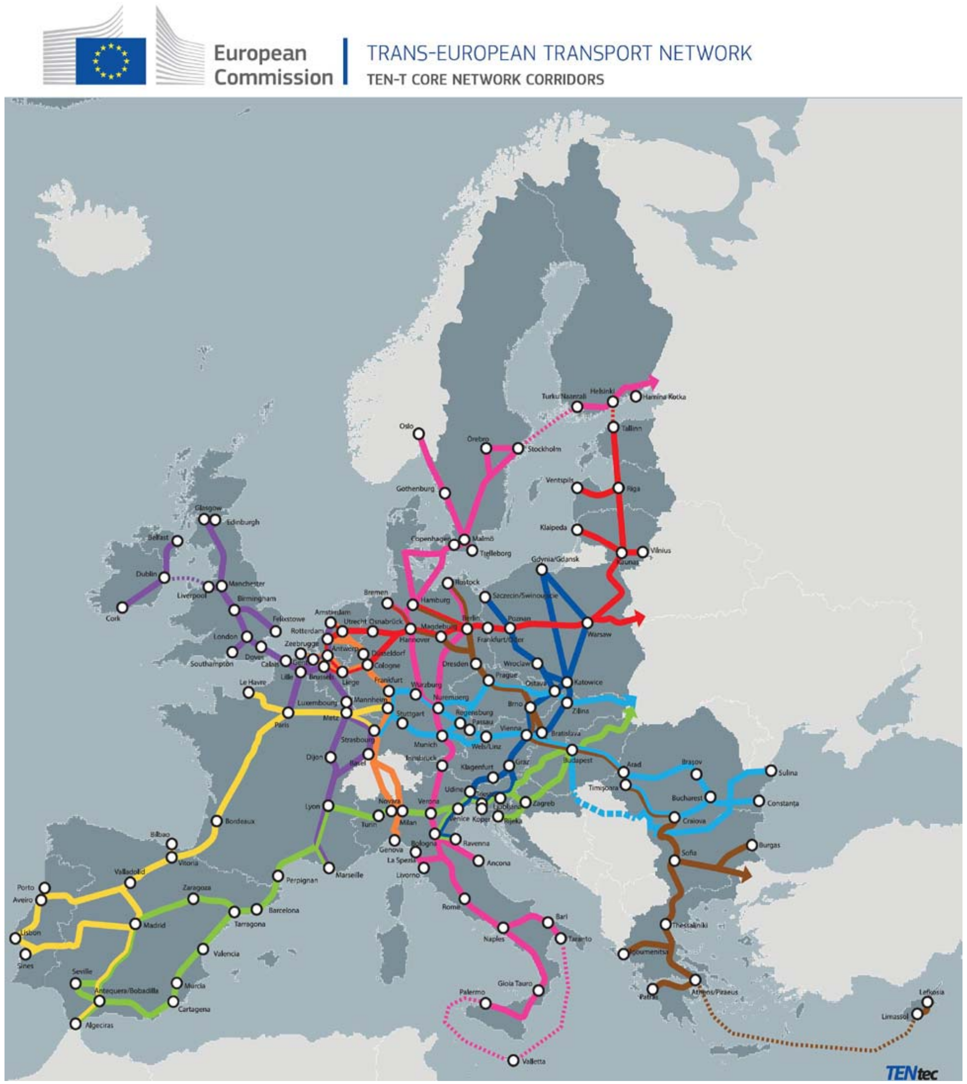


**75 billion USD transport potential between Europe and Asia**

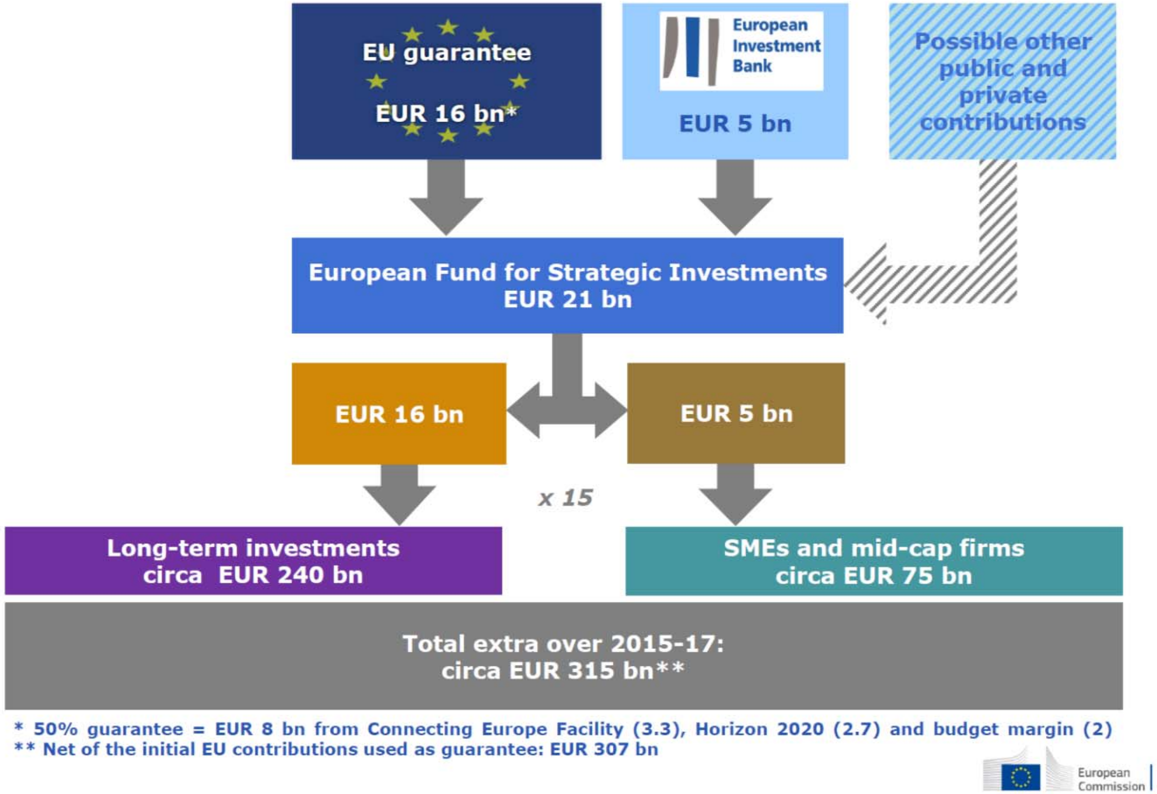
- ✓ **Is the EU infrastructure prepared?**
- ✓ **Is there enough money?**
- ✓ **Are freight corridors really working?**
- ✓ **Is rail freight competitive in the EU?**

# The TEN-T network to boost rail infrastructure; CEF in place



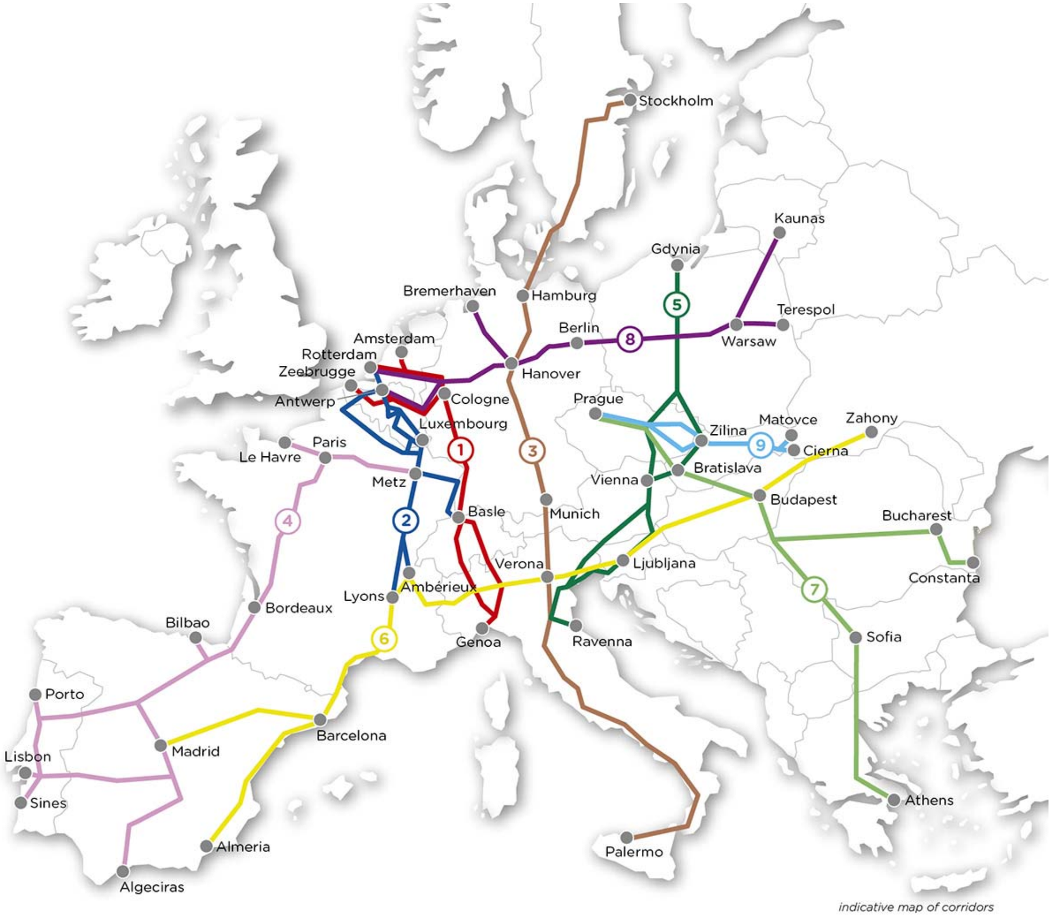

- **26 euro billion for TEN-T projects**
- **80% of projects are *rail* projects**
- **Importance of cross-border links recognized, also towards third countries**

# However: EFSI: cutting CEF for private investments *(EP did not agree!)*



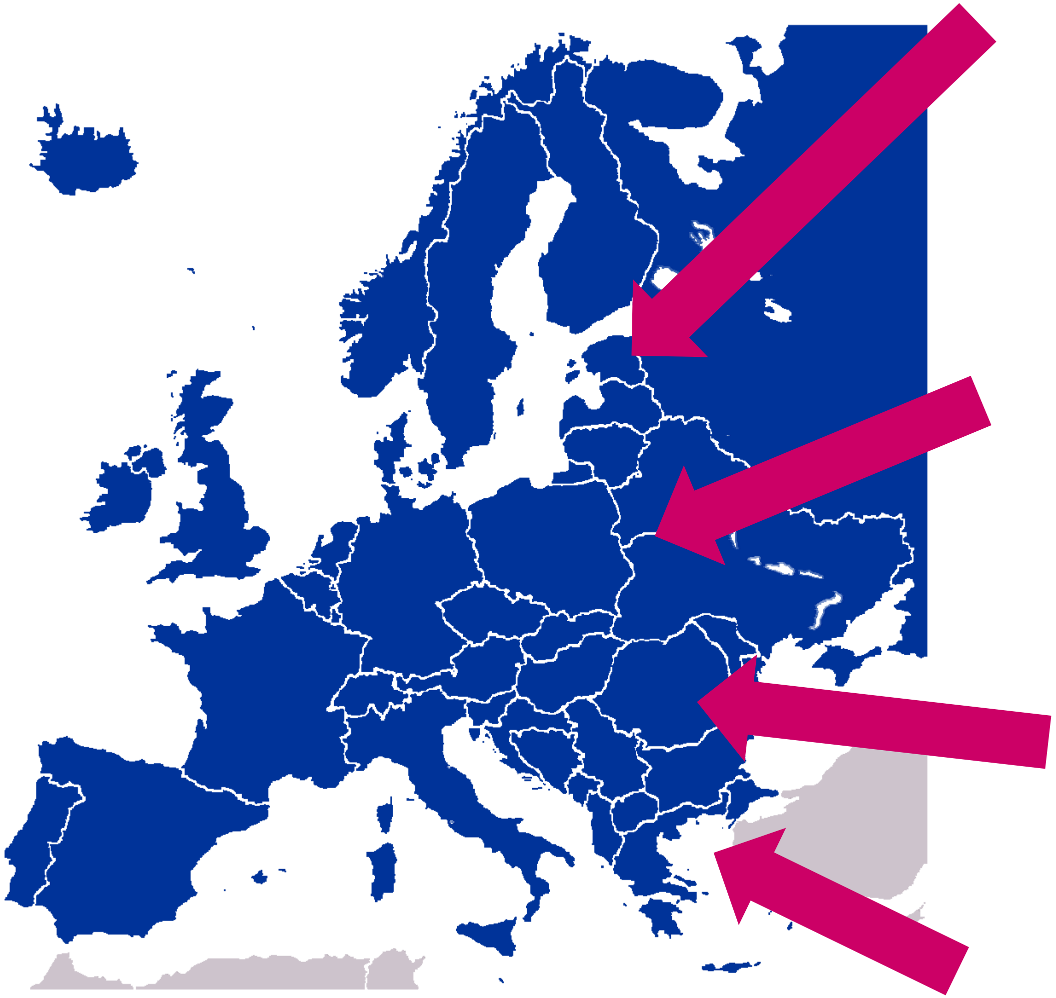

- **315 euro billion of planned spending capacity**
- **An EU credit guarantee which cuts 18% of the CEF budget**
- **The EP heavily objected, not the Council**

# Rail Freight Corridors: harmonisation of rules is necessary




- **Implementation schedule is respected**
- **But rules change from corridor to corridor, with different priority rules, harmonisation is heavily needed**

# Eastern entry gates: a priority for the EU



- Cross-Baltic traffic to be fostered
- Investments in rail-ports infra are needed
- For Greece and Balkans ‘regional thinking’ should be fostered to trigger the potential of Turkish investments

# CER policy recommendations

CER

- Provide EU co-funding for the building and maintenance of rail infrastructure via Structural Funds and CEF
- Ensure reliable and adequate public funding for rail infrastructure, preferably through multi-annual contracts
- Implement harmonised the technical requirements across Europe
- Ensure alignment between rail and road infrastructure charges for freight
- Fully internalise the external costs of transport by applying the polluter-pays principle

# All three key elements of the sustainable rail development must always be promoted!

Intermodal level playing field

Intramodal competition

Infrastructure

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For regular updates on CER activities,
visit our website: **www.cer.be**
or follow **@CER_railways**

3rd ASEM Transport Ministers' Meeting



# "Development of Euro-Asia Multimodal Transport Connectivity"


Hans-Georg Werner

DB Schenker Rail AG


Riga 29th April 2015

Deutsche Bahn

## With its nine business units DB is active in all segments of the transport market

| DB BAHN | DB SCHENKER | DB NETZE |
|---|---|---|



**Passenger Transport**:
Domestic and European-wide mobility services

- **DB Bahn Long Distance**
  Long-distance rail pass. transport[1]
- **DB Bahn Regio**
  Regional/urban pass. transport (GER)
- **DB Arriva**
  Regional/urban pass. transport (EU)[2]

**Transportation and Logistics:**
Intelligent logistics services via land, air and the sea

- **DB Schenker Rail**
  European rail freight transport
- **DB Schenker Logistics**
  Global logistics services

**Infrastructure:**
Efficient and future-oriented rail infrastructure in Germany

- **DB Netze Track**
  Rail network
- **DB Netze Stations**
  Traffic stations
- **DB Netze Energy**
  Traction current

**DB Services**[3]
Integrated range of services

1 Within Germany as well as cross border traffic; 2 In UK with Arriva-affiliate 'CrossCountry' also long-distance passenger transport;
3 Business unit is assigned to the Infrastructure and Services division

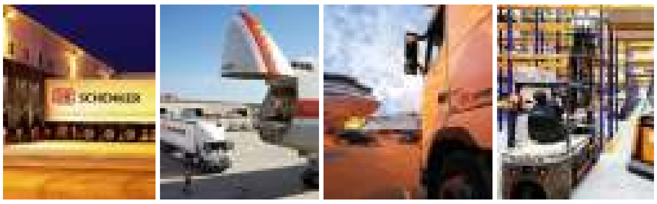
## DB is the second biggest worldwide provider of transport and logistics services

DB SCHENKER

DB SCHENKER

**DB Schenker** Rail

**DB Schenker** Logistics



- **2,000**
  locations in over 140 countries
- **5,000**
  freight trains with more than 1 million tonnes per day through Germany/Europe
- **99**
  million shipments sent per year via European land transport
- **7**
  million square meters of storage space around the world

As of December 31, 2014; Figures are rounded





## Global transport networks for all modes of transport strengthen the market position of DB Schenker

DB SCHENKER


Source: DB 1 According to tkm 2 According to revenue 3 According to t 4 According to TEU 5 According to revenues

Product portfolio

## DB Schenker offers a wide range of products between Europe and Asia including customer door-to-door solutions

**Profitable market leader**

**Network integrated transport – and logistics services**

**Door-to-door-solutions** for the entire **supply chain**

**Multimodal transport** solutions with integrated contract logistics **solutions**

**Dedicated industry** solutions and **market development** through **competence centers**

**Current actions**

- **Enhancement** of solutions for selected corridors
  - Transeurasia (China train)
  - Southeast-Europe (Central Europe/Turkey)
- Strengthening **hinterland networks** of DB Schenker Rail and DB Schenker Logistics Ocean **in Europe**
- Cross-business unit development of **multimodal industry solutions,** for example regarding automotive, industry and consumer goods

Source: GSL



Development Euroasia corridors

## DB Schenker is continuously developing the rail corridor between China and Europe

### Routes


**Southern route**

- Distance from Chongqing approximately 10,300 km
- Transit time (terminal-terminal): 16 – 18 days
- First pilot transports in 2011
- Additional border crossing and stop

**Northern route**

- Distance from Shanghai approximately 12,900 km
- Transit time (terminal-terminal): 18 – 20 days
- Uses the Trans-Siberian Railway

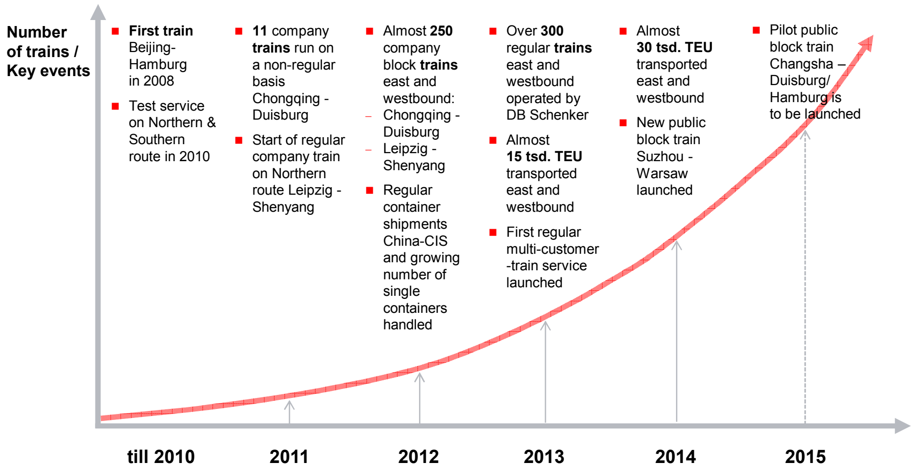
- Transport alternative with
  - Lower transport costs than air freight and
  - Shorter transit times than ocean freight
- Interesting for customers in different industries, including electronics, automotive, chemicals
- Uses DB Schenker's (logistics) networks and resources in China and Europe
- Trans Eurasia Logistics (TEL), an affiliate of Deutsche Bahn, operates rail service between the terminals

Development Euroasia corridors

## The DB activities regarding China Train products are continuously expanded

DB SCHENKER

### Development of China Trains activities






Rail product portfolio

## Nowadays, increasing number and full scope of rail products is operated on the Trans Eurasian corridor

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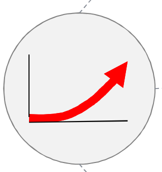
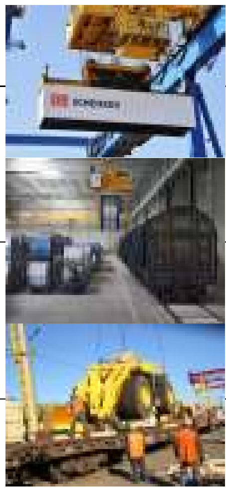


| Product | Comments |
| --- | --- |
| Container Transport | ■ Single containers as well as container groups<br>■ Company trains for volumes over 50 FEU |
| Conventional Rail Transport | ■ Cargo with large volume or heavier than container load.<br>■ Use of conventional wagons |
| Oversized Shipments | ■ Oversized machine & equipments<br>■ Use of flat wagons |



Rail product portfolio

DB SCHENKER

## Our experience confirms that rail transports are suitable for many industries and can be integrated into customer's supply chains


- Hi-tech/Electronics — Notebooks; Chongqing-Duisburg company train
- Automotive — CKD parts (completely knocked down); Leipzig-Shenyang company train
- Manufacturing — Moulds & nuclear equipment; Chengdu and Zhengzhou public trains
- Consumer — Cosmetic products; CN – Russia/Central Asia by single wagon

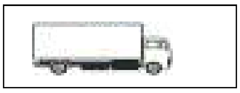




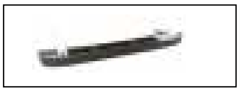

Current challenges

DB SCHENKER

## However, rail still remains the only transport mode without uniform rules for international long distance traffic

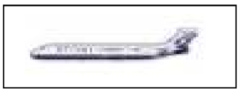


**One legal regime for Road: CMR** (Convention on the Contract for the International Carriage of Goods by Road)

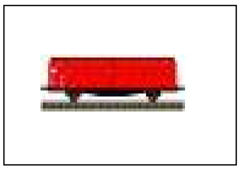


**One legal regime for Sea: Hague/Visby-Rules**

**One legal regime for Inland waterway: CMNI** (convention on the contract for the carriage of goods by inland waterway)



**One legal regime for Air: Warsaw / Montreal Convention**



**Two Legal Regimes for Rail:**

1. **COTIF /CIM** (Convention concerning international carriage by rail / Uniform rules concerning the contract for international carriage of goods by rail)
2. **SMGS** (Agreement on International Goods Transport by Rail)

## The common success will be achieved only if we will cooperate and together offer a holistic solution

DB SCHENKER

*Key aspects for contribution to the whole*

1. Know-how from various countries and customer requirements
2. Good relations with other players on the local markets and infrastructure managers/owners
3. Ability to navigate the murky waters of legal/formal requirements
4. Contacts with local “last mile” and additional service providers (logistics companies)
5. Question of assets and their ability to fit the local conditions

Since one operator or logistics company cannot cover all the bases, creating alliances and partnerships to **bundle capacities on corridors** is the only way to be able to offer a holistic product the customer expects



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## Thank you for your attention

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# BACK UP





DB SCHENKER

## Growth as a result of liberalization and the rise of emerging markets are the new challenges for main logistic players


- Governmental institutions are imposing tighter regulations; the public is increasingly getting involved, e.g. in infrastructure projects
- The electricity turnaround means a shift to renewable sources of power; transportation markets continue to open up for competition
- Sovereign debt is making it harder to fund transportation projects; at the local level, however, people are rethinking transport planning, with a shift to more interconnected and eco-friendly modes

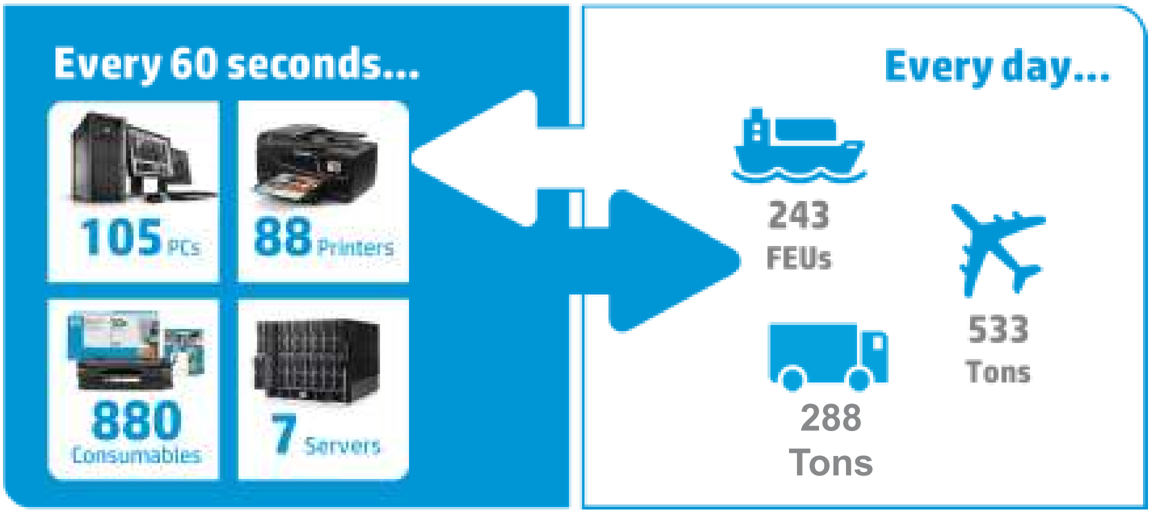

- Growth continues in emerging markets, in large parts due to continued population growth; new, robust domestic markets are emerging
- Rising importance of regional trade flows offers growth opportunities for logistics
- Climate change and oil shortages are becoming reality; the risk of external shocks is rising; the economy is becoming more volatile overall

# Leadership by Supply chain

**Volker Schmitz**
**HP PPS EMEA Operations**

**ASEM Transport Ministers Meeting - Riga**
**April 29-30, 2015**

## HP orchestrates a very large & complex supply chain




2 

# Western China Multi-Modal Logistics

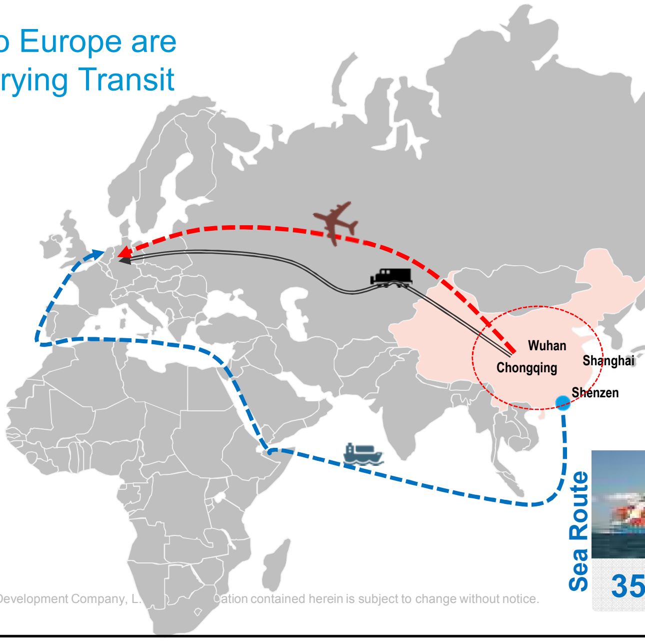
Different routes to Europe are available, with varying Transit Times and Costs

Air connection

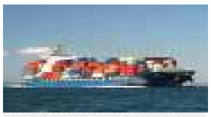
**5 Days; $ +++**

Land Bridge

**17 Days; $ ++**




**Large manufacturing base**



Sea Route

**35 Days; $ +**



# The Iron Silk Road

Between **Chongqing** (China) and **Duisburg** (Germany): 11,179 km, 6 countries

Change of railway track gauge: twice


**In brief**

- ✓ *1st* to launch train in 2011
- ✓ Year-round operation (Winter train)
- ✓ Scaled for volume shipments
- ✓ Notebooks, Printers, Displays

**Activity since 2011:**

| 705 | 187 | 7.8M |
|---|---|---|
| Containers | Trains | Products |

**Benefits**

- Lower cost vs. Air
- 1-2 weeks less transit time vs. Sea, and more reliable
- Low CO2 emission


CO2 emission kg/km

## Needs to further develop the train route

Increased security , e.g. at rail terminals and border crossings

Support business in the direction of China to fill trains both ways



# LATVIA

## YOUR GATEWAY TO NORTHERN EUROPE

Ministry of Transport of the Republic of Latvia

## GENERAL OVERVIEW - MULTIMODAL CORRIDORS

## GENERAL OVERVIEW

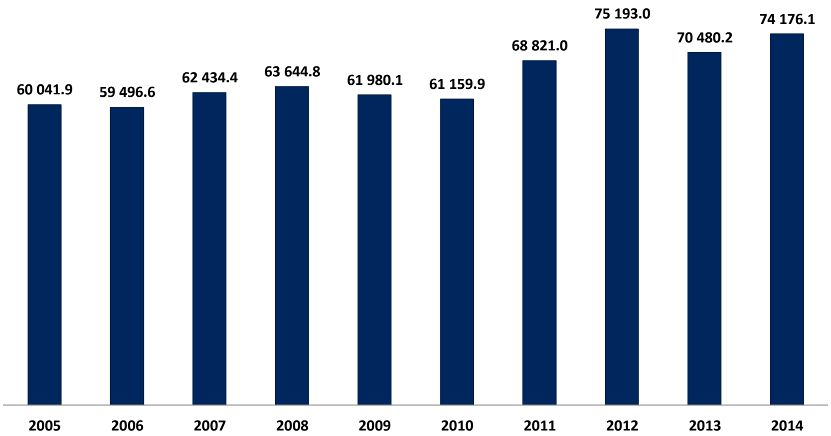

**Three main ports of Latvia:**
- Freeport of Riga
- Freeport of Ventspils
- Liepaja Special Economic Zone

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

GENERAL OVERVIEW

## CARGO TURNOVER INCREASED IN LATVIAN PORTS

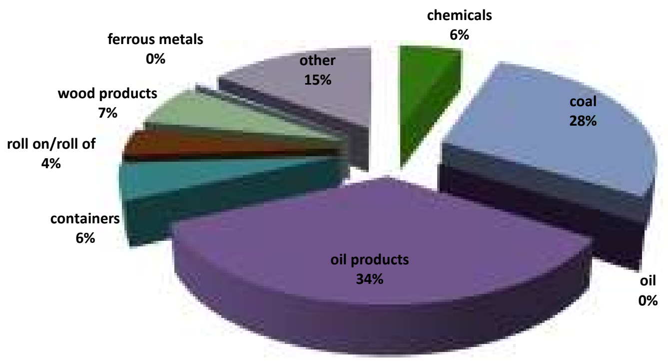
- 2005-2014. (thsd.t.)



GENERAL OVERVIEW

## PROPORTION OF FREIGHT BY TYPE OF GOODS

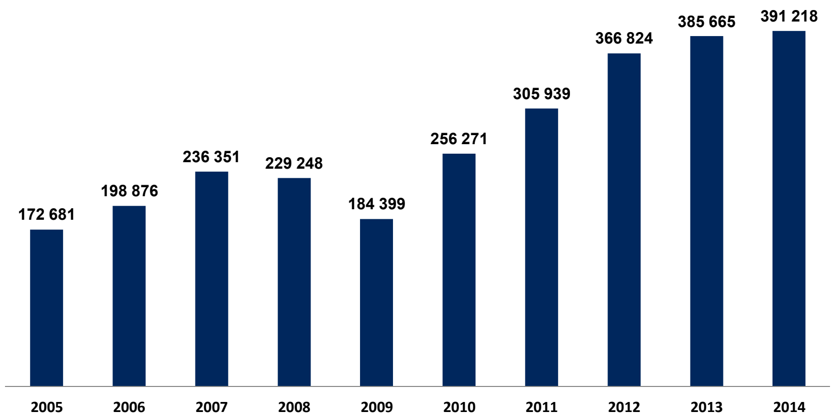
- 2014




GENERAL OVERVIEW

## CONTAINERISED CARGO TURNOVER IN PORTS

- 2005.-2014. (TEU)



## GENERAL OVERVIEW

### Port of Riga

**Container terminals**
•Baltic Container terminal
•Riga Container terminal
•Riga Universal terminal
•Man-Tess

**Lines**
**Containerships**
*Riga –Teesport – Rotterdam – Aarhus - Helsinki – St.Petersburg – Klaipeda – Sodertalje – Sheerness –Gent – Hamburg*
**French Baltic Line (CMA-CGM)**
*Hamburg – Bremerhaven– Riga- Klaipeda – Hamburg*
**UniFeeder Container Service**
*Hamburg – Bremerhaven – Riga – Klaipeda*
**Mann Lines Multimodal**
*Riga – Rotterdam – Bremerhaven - Kaliningrad – Gdynia – Riga*
**Mediterranean Shipping Company (MSC)**
*Antwerpen – Bremerhaven – Riga – Tallinn*
**Team Lines**
*Hamburg – Klaipeda – Riga – Hamburg*
**Maersk Line**
*Bremerhaven - Riga – Klaipeda –Aarhus – Bremerhaven*
**Tallink**
Riga – Stockholm
**Man-tess Line**
*Kiel-Petersburg - Riga - Kiel*

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

### Port of Ventspils

Nord Natie Terminal

**Stena Line**
*Ninesham-Ventspils-Ninesham*
*Travemund – Ventspils-Travemund*

### Port of Liepaja

Terrabalt

**Stena Line**
*Travemund – Liepaja - Travemund*


## GENERAL OVERVIEW

# BENEFITS

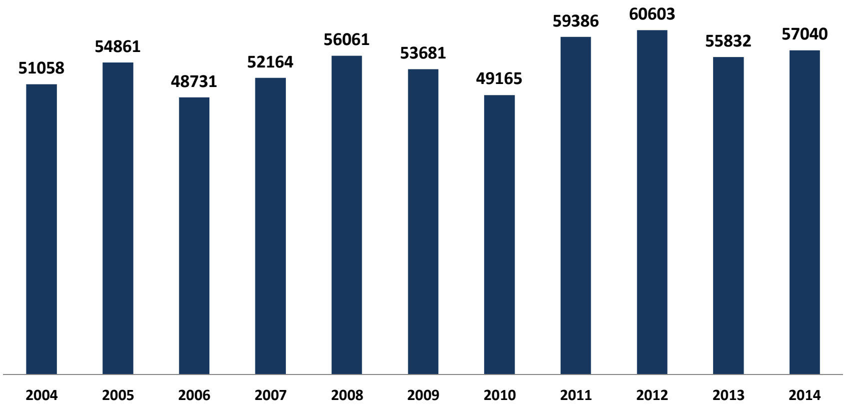

- single infrastructure
- single rolling stock
- unified information exchange system
- single documentation

**There is no need**:
- to spend time at bordercrossings
- to change wheels
- to change the documentation
- to make customs clearance on the border

GENERAL OVERVIEW

# CARGO TURNOVER IN RAILWAYS

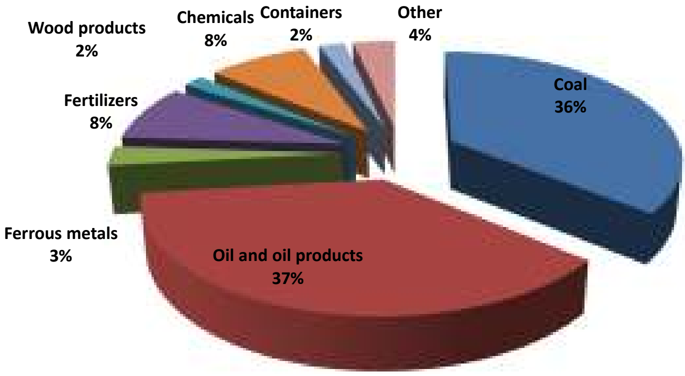
- 2004-2014. (thsd.t.)




GENERAL OVERVIEW

# CARGO STRUCTURE BY TYPE OF GOODS

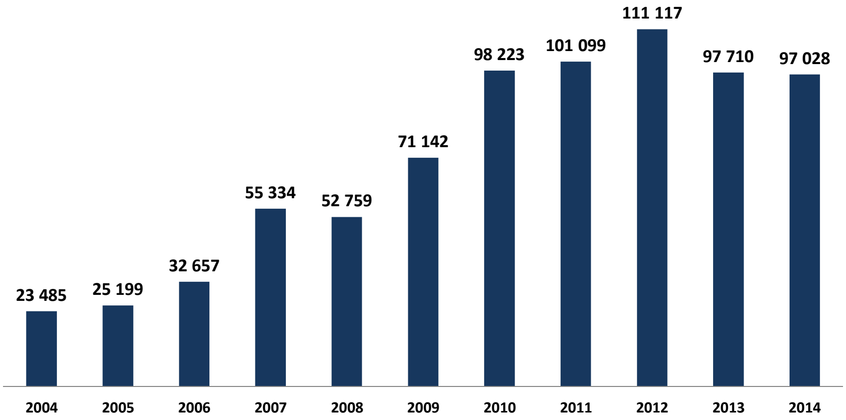
- 2014



GENERAL OVERVIEW

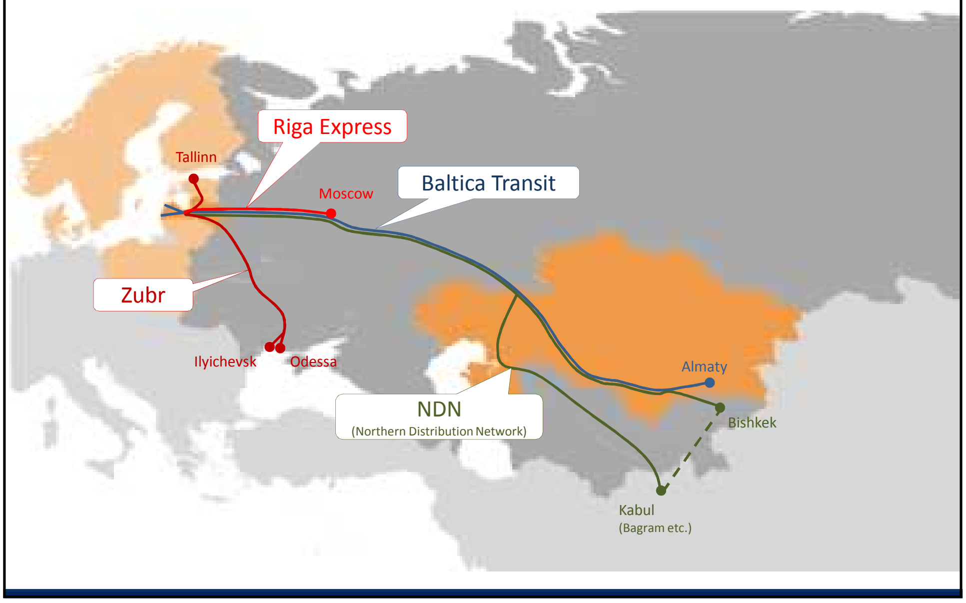
# CONTAINERISED CARGO VOLUMES

- 2004.-2014. (TEU)




Railways

# CONTAINER TRAINS FROM LATVIA

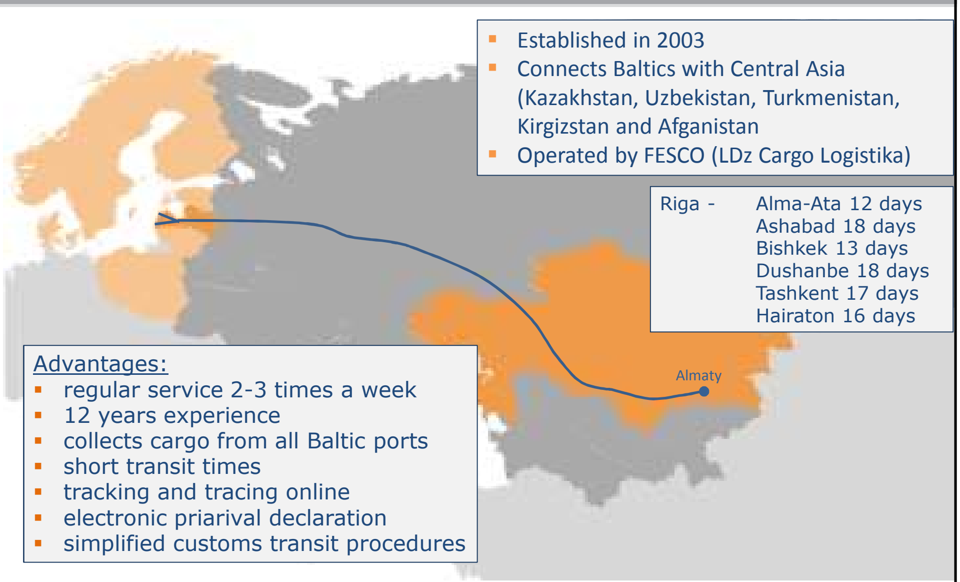


Railways

## BALTICA TRANSIT

- Established in 2003
- Connects Baltics with Central Asia (Kazakhstan, Uzbekistan, Turkmenistan, Kirgizstan and Afganistan
- Operated by FESCO (LDz Cargo Logistika)

| | |
|---|---|
| Riga - | Alma-Ata 12 days |
| | Ashabad 18 days |
| | Bishkek 13 days |
| | Dushanbe 18 days |
| | Tashkent 17 days |
| | Hairaton 16 days |

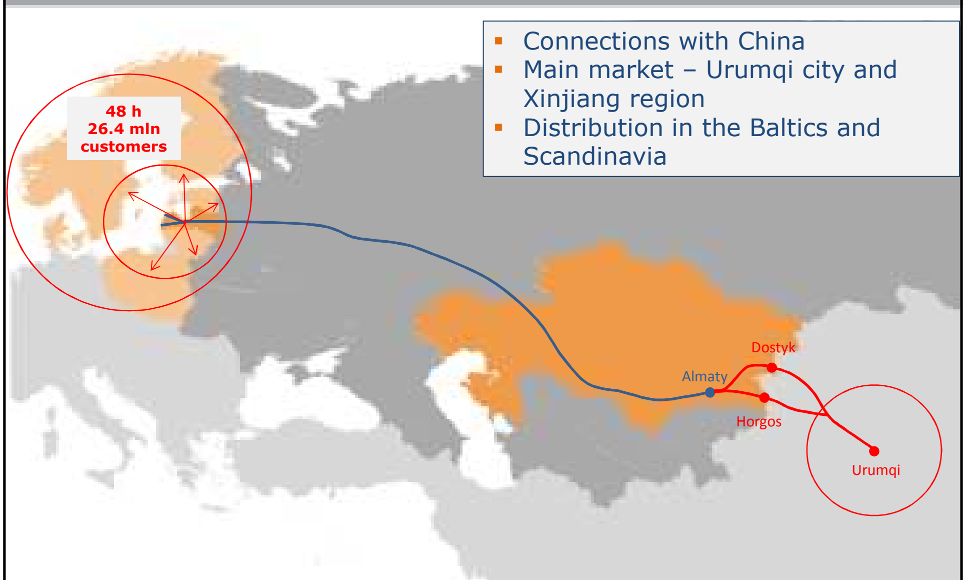



Advantages:
- regular service 2-3 times a week
- 12 years experience
- collects cargo from all Baltic ports
- short transit times
- tracking and tracing online
- electronic priarival declaration
- simplified customs transit procedures

Railways

## BALTICA TRANSIT – NEXT STEPS

- Connections with China
- Main market – Urumqi city and Xinjiang region
- Distribution in the Baltics and Scandinavia



# TEST TRAIN: URUMQI - LATVIA

Transport mode index:

- CN-KZ by rail (switch gauge: Alashankou-Dostik)
- KZ-RU-LV by rail (gauge 1520mm)
- LV-CZ/NL by truck
- LV-EU by seafreight

**Test train was organized in 2008**

4 countries were involved:

China, Kazahstan, Russia, Latvia

Cargo: 96 TEU with tomato pasta

Further form Latvia cargo was deliverad partly to Germany and Italy using road and sea transport

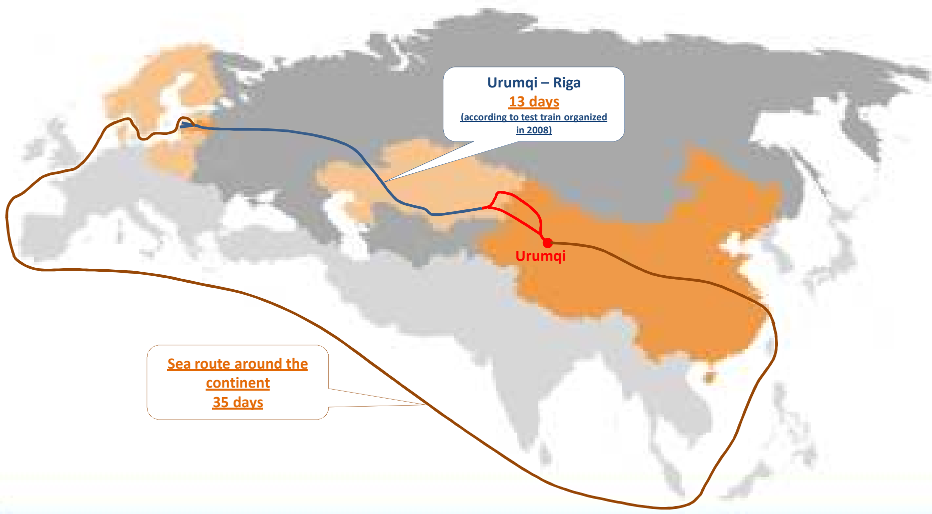
**Demonstrated results:**

**10 day** transit time from Dostyk to Riga terminal

**14 days** in total from Urumqi to door in Central EU

# ALTERNATIVE COMPARISON

## TIME SAVING – 25 DAYS



Railways

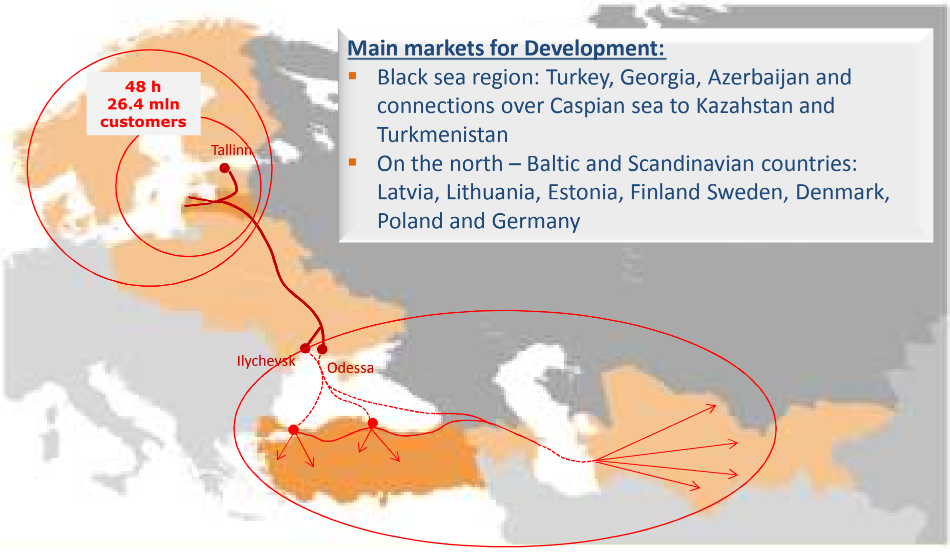
# CONTAINER TRAIN - ZUBR


- **Launched in 2009**
- **Railway companies from 5 countries: Latvia, Belarus, Ukraine, Estonia and Moldova**
- **operators:** ***Latvia:*** LDz Cargo Loģistika SIA; ***Belarus:*** BELINTERTRANS (BTLC State Enterprise), ***Estonia:*** AS EVR Cargo, ***Ukraine:*** UGCTS „Liski", ***Moldova:*** „ Union ekspedicya „)

| Cargo delivery route | Delivery time |
|---|---|
| Tallinn - Odessa/Ilyichivsk | 83 hours or 3 days 11 hours |
| Riga - Odessa/Ilyichivsk | 66 hours or 2 days 18 hours |
| Odessa/Ilyichivsk - Riga | 63 hours or 3 days 15 hours |
| Odessa/Ilyichivsk - Tallinn | 83 hours or 3 days 11 hours |

Railways

# CONTAINER TRAIN - ZUBR

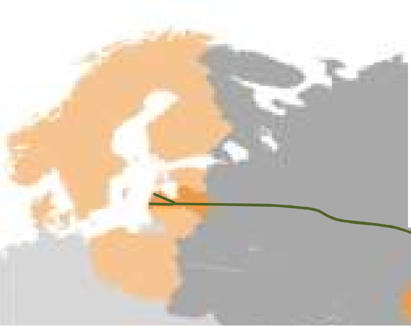



**Main markets for Development:**

- Black sea region: Turkey, Georgia, Azerbaijan and connections over Caspian sea to Kazahstan and Turkmenistan
- On the north – Baltic and Scandinavian countries: Latvia, Lithuania, Estonia, Finland Sweden, Denmark, Poland and Germany

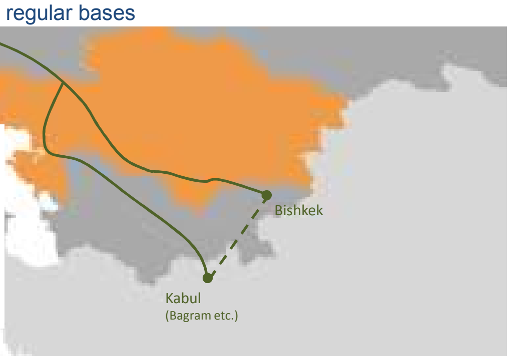
Railways

## NORTHERN DISTRIBUTION NETWORK



- Launched in 2009
- NDN has developed in to multimodal transport corridor using all transport modes: rail, road, air, and sea
- Most of cargo were shipped for the US to Afganistan
- Since 2010 road transport has been involved on regular bases
- Since 2012 air transport has been involved on regular bases

- Riga including port and airport as the main hub of the NDN
- Fully recognized by the US and NATO partners
- Total cargo volumes trasshipped by NDN reached **100 000 containers** in June 2013




Railways

## CONTAINER TRAIN: RIGA EXPRESS


- Since 2010 private rail operator ***SRR*** started weekly container service on the route Riga – Moscow
- Full package of services such as rail transportation, customs clearance, door to door deliveries, FCL, LCL and project cargo transportation included

## 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.

## FREEPORT OF RIGA

## FREEPORT OF RIGA

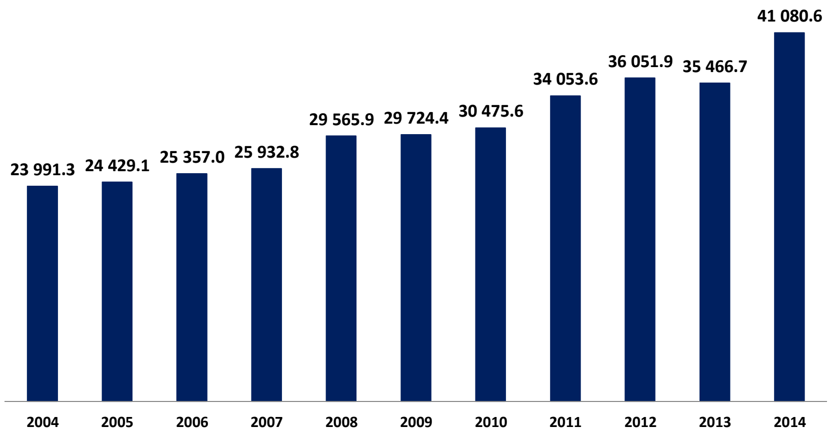
- Main infrastructure figures

Total port area: 6 348 ha
Land area: 1 962 ha
Water area: 4 386 ha
Available land: 445 ha
Total berths length: 13.8 km
Max. depth: 16.0 m
Max. vessel draft: 14.7 m
Total terminal cargo handling capacity: 45 mln.t/year
Vessel max. capacity: 118 590 DWT

Freeport of Riga

## TOTAL CARGO TURNOVER

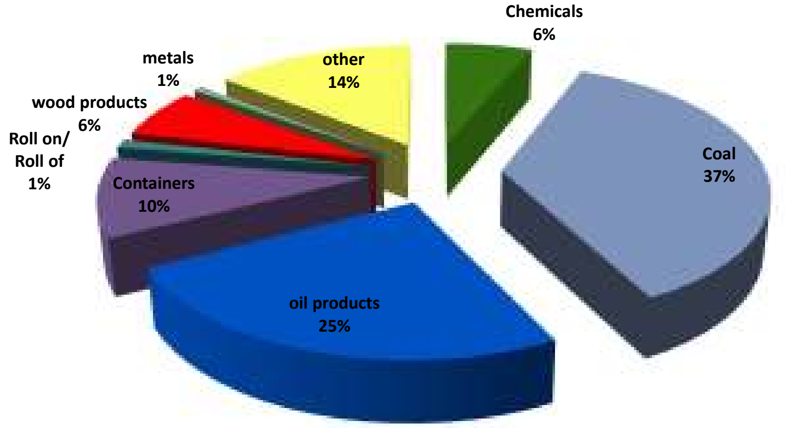
- 2004-2014 (thsd.t.)



Freeport of Riga

## PROPORTION OF FREIGHT BY TYPES OF GOODS

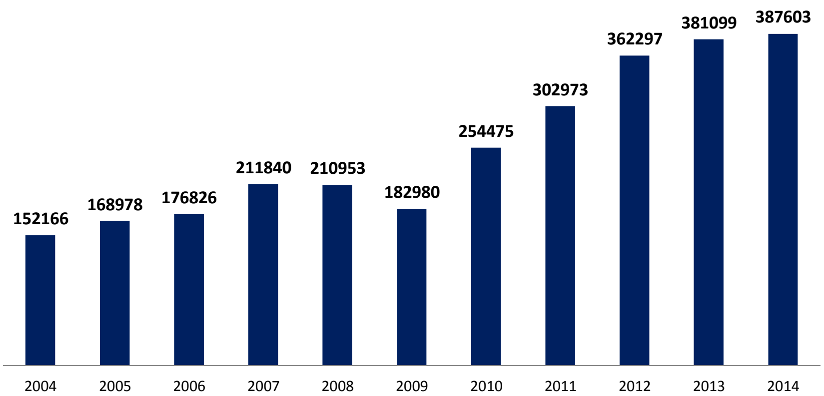
- 2014




Freeport of Riga

## CONTAINARIZED CARGO TURNOVER

- 2004-2014 (TEU)



Freeport of Riga

## TERMINALS, COMPANIES

**33** stevedoring companies

**28** ship agencies

**37** companies provide different facilities for cargo warehousing

**16** companies operate customs warehousing

**7** companies provide different added value services

**12** companies offer cargo forwarding services

Freeport of Riga

## TERMINALS

**Dry bulk handling**

- **19** terminals
- main types of cargo: coal, fertilizers, ore, woodchips, grain
- total handling capacity **31** mln.t
- max draft at dry bulk berth 14.7 m

**Liquid bulk handling**

- **10** terminals
- main types of cargo: fuel oil, gas oil, gasoline, jet fuel, kerosine
- total handling capacity **11** mln.t
- tank farm – 350 thsd.$m^3$
- max draft at liquid bulk berth 12.5 m

Freeport of Riga

## TERMINALS

**General cargo handling (excluding containers)**

- **20** terminals
- Main types of cargo: timber, ro-ro, refrigerated cargo
- total capacity **6** mln.t
- refrigerated storage 13 000 t
- max draft at berth 10.3 m

**Container handling**

- **3** terminals
- total capacity **560** thsd. TEU
- max draft at container berth 13.5 m

Freeport of Riga

## DEVELOPMENT PROJECTS

- **<u>Port Authority's Investments:</u>**

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

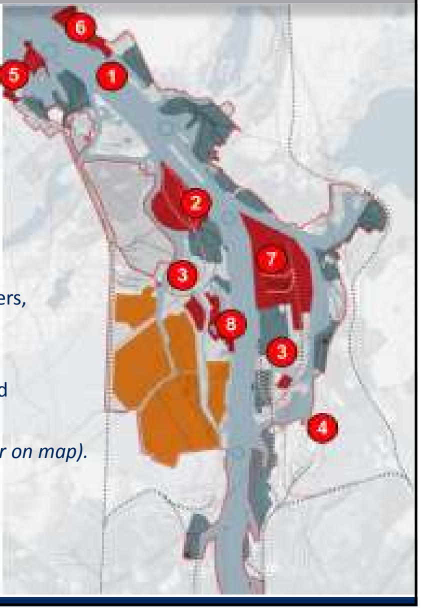
- **<u>Private Investments:</u>**

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).*

- **<u>Total port investment portfolio 1.1 bln EUR</u>**

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



# FREEPORT OF VENTSPILS

## FREEPORT OF VENTSPILS

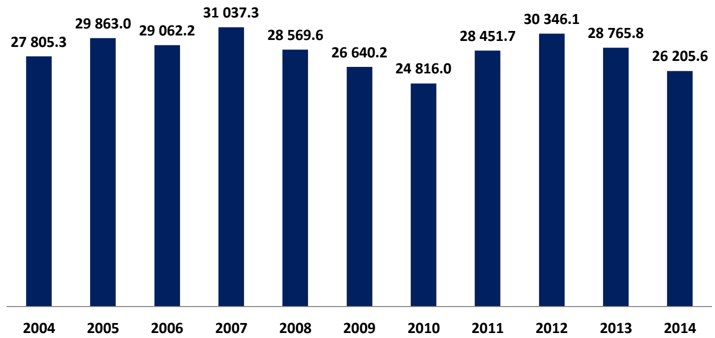
- Main infrastructure figures

Total port area: 2 623.9 ha
Land area: 2 357.1 ha
Water area: 265.9 ha
Available land: 1 000 ha
Total berths length: 11 km
Max. depth: 17.0 m
Max. vessel draft: 15.0 m
Total terminal cargo handling capacity: 43 mln.t/year
Vessel max. capacity: 150 000 DWT

Freeport of Ventspils

## TOTAL CARGO TURNOVER

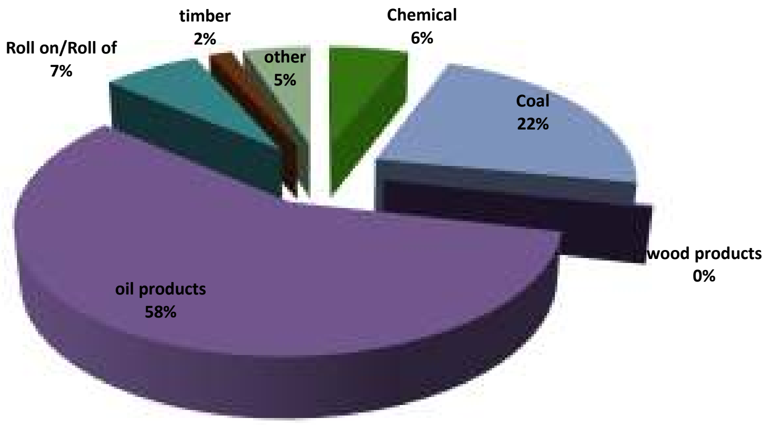
- 2004-2014 (thsd.t.)




Freeport of Ventspils

## PROPORTION OF FREIGHT BY TYPE OF GOODS

- 2014



Freeport of Ventspils

## TERMINALS

### Dry bulk handling

- **6** terminals
- main types of cargo: coal, fertilizers, woodchips, grain
- Max vessel lenght at berth 275 m
- max draft at dry bulk berth 14.7 m

### Liquid bulk handling

- **4** terminals
- main types of cargo: petroleum products, liquefied gas, diesel fuel, other chemical cargoes
- total liquid bulk storage tank volume – 1500 thsd.$m^3$
- max vessel length at berth 275 m
- max draft at liquid bulk berth 15 m

Freeport of Ventspils

## TERMINALS

### General, ro-ro and containarized cargo handling

- **3** terminals
- main types of cargo: timber, ro-ro, refrigerated cargo
- max vessel lenght at berth 240 m
- max draft at dry bulk berth 12.5 m
- container terminal total capacity **150** thsd. TEU/year
- refrigerated cargo terminal capacity 150 thsd.t /year

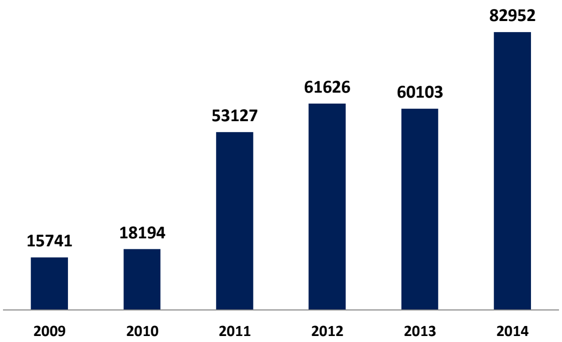

### Oil product pipeline

- Connected with Belarus/Russia
- Pipeline capacity 6 mlj.t/year

Freeport of Ventspils

## PASSENGER TRAFFIC

- 2009-2014




Freeport of Ventspils

## REGULAR LINER SERVICES


**Stena Line**

*Nineshamn – Ventspils – Nineshamn*

*Travemund – Ventspils – Travemund*

Freeport of Ventspils

## DEVELOPMENT PROJECTS

- **Northern Port Project**

Area: ~100 ha + possible landfill in the sea
Long term (45+45 years) land lease agreement


Freeport of Ventspils

## DEVELOPMENT PROJECTS

- **Development sites for technology, industrial and logistics companies**

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

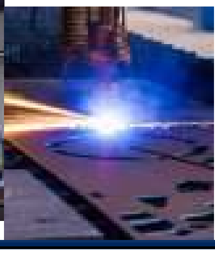
Freeport of Ventspils

## INDUSTRIAL ZONE

**Since 2002, the operation of Ventspils has attracted 20 new (foreign and domestic) companies. At present, in the Ventspils Freeport industrial zone works (few of them):**

**SIA «Malmar Sheet Metal» (Belgium)**

- Metalworking products for automotive industry, supplier of Scania, Volvo, MAN, Caterpillar etc.
- ~100 employees



**SIA Ventspils Metināšanas Rūpnīca (Latvia)**

- Production of steel products, including oversize constructions
- ~120 employees

Freeport of Ventspils

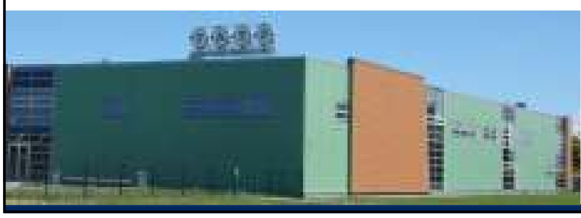
## INDUSTRIAL ZONE

**SIA "EURO LCDs"**

- Manufacturer of LCD pannels, light polarizing modules, 3D displays
- Premisses ~4200sq.m with integrated cleanroom~2000sq.m under construction
- ~50 new workingplaces

**SIA "Ventspils Elektronikas Fabrika"**

- Belongs to the group of the largest latvian electronics components producer
- ~40 employees



# LIEPAJA SPECIAL ECONOMIC ZONE

## LIEPAJA SPECIAL ECONOMIC ZONE (SEZ)

- Main infrastructure figures

Total port area: 1 182 ha
Land area: 372 ha
Water area: 810 ha
Available land: 170 ha
Total berths length: 8.17 km
Max. depth: 12.0 m
Max. vessel draft: 10.8 m
Total terminal cargo handling capacity: 9.2 mln.t/year
Vessel max. capacity: 50 000 DWT

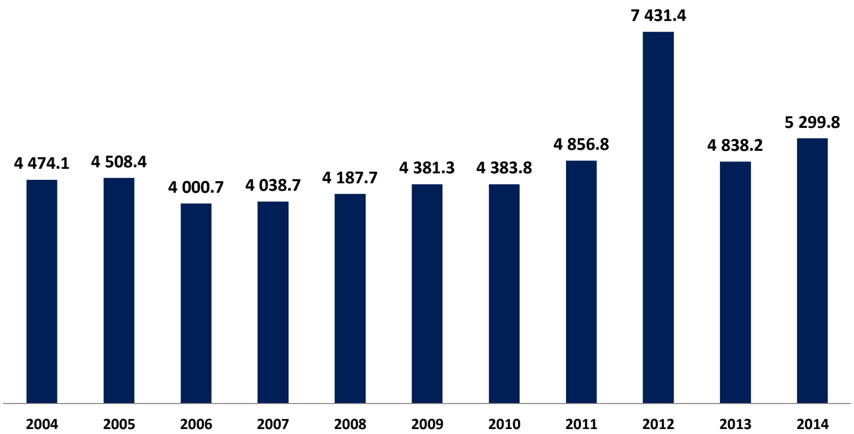
PORT OF LIEPAJA

LIEPAJA
SPECIAL ECONOMIC ZONE
AUTHORITY

Liepaja Special Economic Zone

## TOTAL CARGO TURNOVER

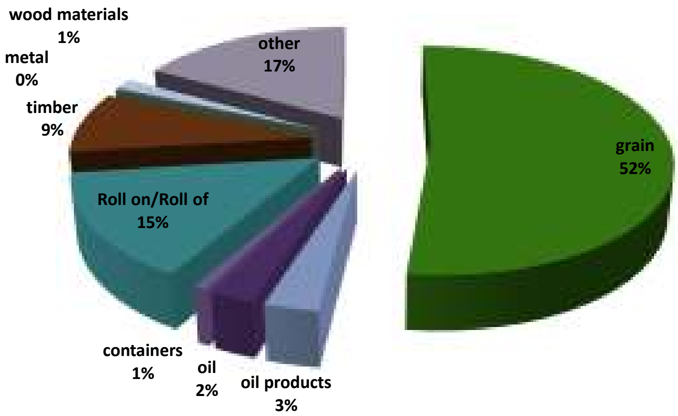
- 2004-2014 (thsd.t)




Liepaja Special Economic Zone

## PROPORTION OF FREIGHT BY TYPE OF GOODS

- 2014



Liepaja Special Economic Zone

## TERMINALS

### Dry bulk handling

- **8** terminals
- main types of cargo: grain (wheat, barley, rapeseeds, etc), peat, woodchips, building materials (crushed stones, limestone, cement, etc), ore, scarp
- max length of vessel at berth 240 m
- max draft at dry bulk berth 10.80 m

### Liquid bulk handling

- **6** terminals
- main types of cargo: oil, crude oil, gas oil, base oil, molasses, vegetable oil, coal tar
- total liquid bulk turnover volume – 1 milj.t/year
- total reservoir capacity 75 000 m$^3$
- max length of vessel at berth 165 m
- max draft at liquid bulk berth 8 m

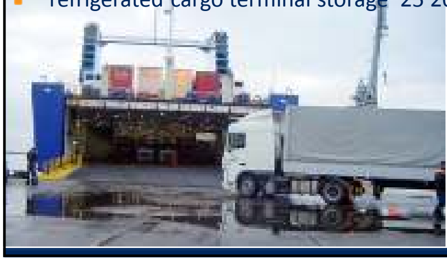
Liepaja Special Economic Zone

## TERMINALS

### General, ro-ro and containarized handling

- **5** terminals
- main types of cargo: timber, ro-ro, containers, fertilizers in big-bags, frozen cargo, metals – ferrous and non-ferrous
- max vessel length at berth 240 m
- max draft at berth 10 m

- Container/ro-ro terminal total capacity **100** thsd. TEU/year
- refrigerated cargo terminal storage 25 200 m$^3$



Liepaja Special Economic Zone

## OTHER SERVICES

**In port operates ship repair and shipbuilding companies:**

A/S «Tosmares Kuģubūvētava»

SIA «Liepājas Kuģu Būves rūpnīca»

Main activities:

- ship and boat building
- ship and boar repair at berths and in dry and floating docks
- special hardware repair

**Yacht service:**

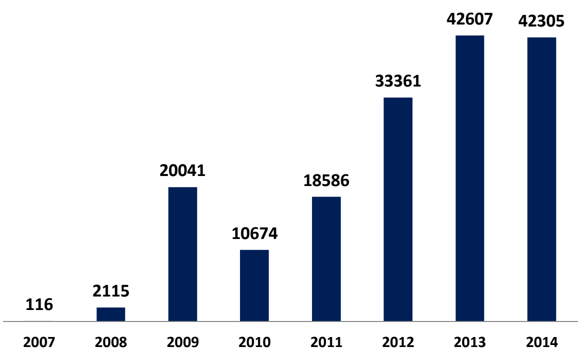
- facilitaded guarded berths
- draft restrictions 3.8 – 4.4 m

Liepaja Yacht Centre provides the necessary services to the quay – moorings, water supply, power supply, security guards berth.

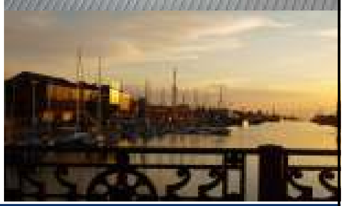
Liepaja Special Economic Zone

## PASSENGER TRAFFIC

- 2007-2014

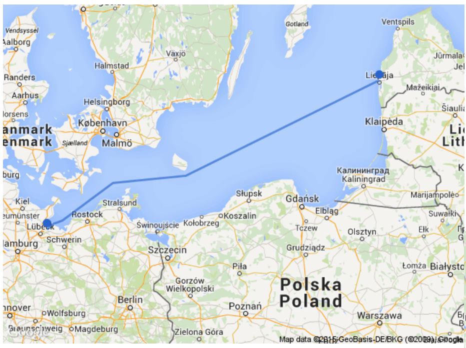


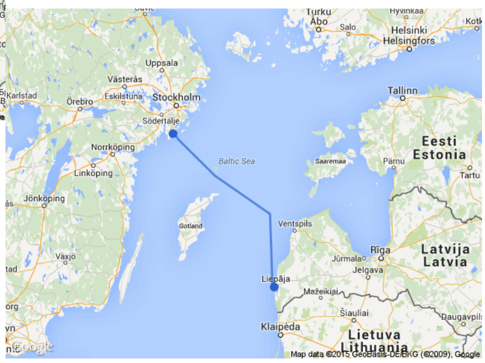




Liepaja Special Economic Zone

## REGULAR LINER SERVICES




**Stena Line**

*Travemund – Liepaja – Travemund*

*Nineshamn – Liepaja - Nineshamn*

Liepaja Special Economic Zone

## BUSINESS INFRASTRUCTURE

**Special Economics Zone**

- direct tax reductions for the Liepaja SEZ companies
- ice free port / logistic services
- integrated and developing transport infrastructure

**Territories for development**

- industrial and business parks
- greenfield and brownfield territories
- supportive back-up team for development projects

**Industrial capacity**

- strong industrial background
- competitive labour and resource costs
- high productivity

Liepaja Special Economic Zone

## DEVELOPMENT PROJECTS

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

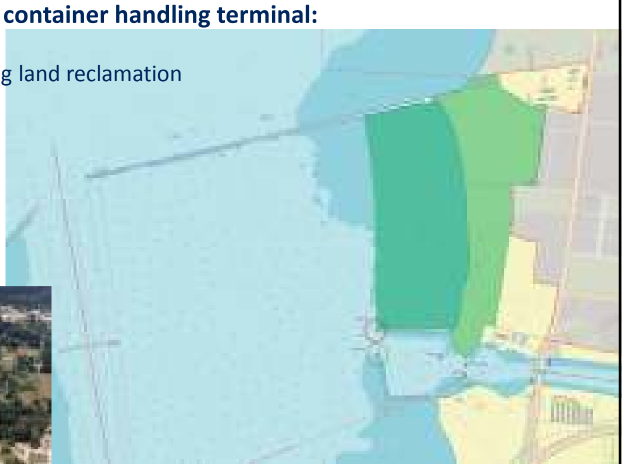
Land territory: 16 ha, by executing land reclamation works: 30 or more ha
Coastline length: 700 m

Liepaja Special Economic Zone

## DEVELOPMENT PROJECTS

- **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



## THANK YOU FOR YOUR ATTENTION!

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