



LATVIAN
SUPPLY CHAIN
CLUSTER

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LATVIAN MARITIME CLUSTER:

factfindings and development perspectives

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Content of presentation

1. Potential for development of maritime cluster in Latvia.
2. Case of the Latvian Supply Chain Cluster (the only cluster organization in transport industry in Latvia).
3. Future perspectives for development of maritime cluster in Latvia.



Cluster in transport industry in Latvia



Source: the Ministry of Transport of the Republic of Latvia

There is an environment for cluster formation in the transport industry in Latvia because all transport modes (sea transport, rail transport, road transport, pipelines transport and air transport) are used for international cargo transportation (concentration of maritime companies in seaports).

Maritime cluster in Latvia

- International cargo transit transport dominates in rail transport, sea transport (seaports) and pipelines transport.
- There are three international seaports with wide cargo transshipment profile (Riga, Ventspils and Liepaja) and 7 comparatively small sea ports focused on serving of export goods (mainly timber) and fishing.
- Three ports (Riga, Ventspils and Liepaja) are connected to TENT-T road and rail, as well as two oil and oil products pipelines to Ventspils.

Maritime sector in Latvia

- Contribution of transport industry to Latvian GDP has been 13% in 2011 (Ministry of Economics, 2012).
- In 2011 contribution of international freight transit to Latvian GDP was 6,6%, where contribution of seaports – 3,7% or 677 Million EUR (Bulis, Orlovs, Skapars, 2012).
- Latvian Maritime industry consists of shipping, shipbuilding, shipping equipment, marine equipment, technical services, financial services, ports, fishing, dredging, inland shipping, yachting and navy.



Latvia in global freight transport networks



Source: the Ministry of Transport of the Republic of Latvia

Latvian Supply Chain Cluster

- The LSCC is a branch of the Latvian Logistics Association



- The LSCC was established in 2009, as a cluster project (with financial support of the Ministry of Economics of the Republic of Latvia)
- The LSCC defines itself as a “**maritime infrastructure related supply chain cluster**”.
- The objective of cluster: to develop innovative services in freight logistics and promote international competitiveness of Latvian freight transport corridor.

LSCC: an overview

	Maritime cluster (in general)	Latvian Supply Chain Cluster
Definition	Maritime clusters are clusters which consist of a group of industries directly or indirectly related to shipping within a certain area or a nation.	Maritime infrastructure related supply chain cluster. Cluster is focused on freight logistics, including shipping services.
Potential members of cluster	Ship operators and a host of auxiliary support services, as ports, freight forwarding companies, shipping/linear agencies, stevedovie companies, dredging services and professional services – management, insurance, finance, legal and accountancy.	Logistics companies (expeditors, forwarders, terminals, warehousing etc.); academic and research institutions and other support institutions. Members of the LSCC are 33 companies and 4 academic institutions.
Examples	The South West Maritime Cluster (England), the Maritime Cluster of Japan, Maritimes Cluster Norddeutschland. (Shinohara, 2010; Chang , 2011)	Latvian Supply Chain Cluster is the only cluster organization in transport industry in Latvia.

Some members of cluster: logistics companies

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 PAREN
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 **BLUMBERGI MN**

PLG logistics

 **SCHENKER**

 **TNT**
sure *WE CAN*

 TRIALTO LATVIA

 RIGA CONTAINER TERMINAL

 **TTL**
trans trades logistics

 UNISTOCK

Members of cluster: from support industries



LSCC: future perspectives

- Transformation from cluster as a project to cluster organization.
- Participation in maritime transport initiatives in the BSR and in the European Union.
- The EU transport agenda.
- Cooperation with academic and research institutions.

For discussion: development of maritime cluster in the BSR

1. From coordination to co-action;

2. Possible fields for co-action:

- Short-sea shipping,
- «Rail Baltica» railway line, development of inland intermodal terminals (shift from railway lines of wide gauge (1520 mm) to the EU standard (1435 mm) and North-South corridor.
- Integration of the BSR transport system in to global freight transport networks (especially Europe-China)
- Green logistics, green seaports (reduction of negative effects of shipping and seaports on the BS ecosystem).

Thank you for your attention!

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