

Growing to its full potential



From the late 1960s until 1991, the Port of Liepaja was closed to commercial traffic, entrenched by the Soviet Navy and thousands of its troops. After Latvia regained its independence, merchant ships quickly started to dock again at what's today the country's third-biggest seaport, and a bursting construction site.

These days, the Port of Liepaja is a multifunctional ice-free harbour, serving the East-West transport corridor. Diverse shipments of dry bulk, general cargo, and liquid goods, as well as passenger traffic, are served at the port. Shipbuilding and shiprepair services are available, too, not to mention the yacht marina located in the city's centre (Liepaja Marina has received the Blue Flag for several years, and the last time was on May 28th, 2016).

Dry bulk handlings in Liepaja cover agricultural products (grain, meal, seeds, etc.), peat moss (both open type and in briquettes), building materials (stones, chalk, gravel), wood products (chips and pellets), metals (scrap, shavings), as well as coal and coke.

General cargo turnover includes metals (ferrous & non-ferrous, armature, workpieces, wire), timber (pulp, sawn, logs), fertilizers, food products (rice, sugar, frozen). In addition, there are two ro-pax services linking the port with Nynäshamn and Travemünde, bringing on-board not only trucks & trailers, but also containers.

Lastly, the Port of Liepaja handles crude oil, oil products (diesel, gasoline, base oils), chemicals (e.g. coal pitch), and liquid food products, such as molasses and plant oils.

In 2015, the port authority completed two major projects – “Clean-up of the Historically Polluted Liepaja Port Karosta Canal” (the whole remediation works will be finished by 2023), and “Dredging of the Port of Liepaja,” under which the port's fairway and basin were

deepened to 12.5 m and 12 m, respectively; likewise, the Winter Harbour and the Pilot Canal were dredged to a depth of 7 m.

However, investments into the Port of Liepaja did not stop at that. In 2016, the Liepaja SEZ Authority started implementation of the Cohesion Fund Project “Reconstruction of Breakwaters of Port of Liepaja”, which should be completed by December 31st, 2020. Within the framework of the Project overall reconstruction of port hydro-technical protective structures will be accomplished, which will improve vessel traffic safety in the Port.

The port provides cargo handling and other port services 24 hours a day. The port infrastructure – the fairway, berths and cargo handling equipment – allows for servicing the vessels with a maximum draught of 10.8 metres and a length of 240 metres.

In total, there are 16 cargo handling terminals in the Port of Liepaja for various types of cargoes, all equipped with appropriate cargo handling and storage facilities: open-air

storage, covered warehouses, silos, shore tanks and storage facilities for refrigerated cargoes. In addition, there is an extensive and diverse base of highly proficient local sub-suppliers and service providers.

Janis Lapins

Liepaja Special Economic Zone's General Manager

The Liepaja Special Economic Zone Authority and the Liepaja City Council are now developing two Industrial Parks for small and medium-sized companies. By increasing export-oriented manufacturing, the Port of Liepaja is focusing on import/export operations of various raw materials and final industrially manufactured products. We, at the Liepaja SEZ, are enabling our customers to take full advantage of considerable tax incentives and free areas for greenfield investments, as well as a cost-efficient and skilful workforce.

What is more, the Liepaja SEZ Authority is making serious efforts to develop economic ties with China, particularly in the sphere of logistic services. In 2016, Latvia was entrusted with organising key events in cooperation with Central and Eastern European countries and China (“16+1”) – the Prime Ministers' Summit, and related side events – a business forum, a national coordinators' meeting, a symposium of think tanks – as well as the first 16+1 Transport Ministers' meeting. The Liepaja SEZ Authority is actively participating in the preparation of a comprehensive service package in the transport sector.

Tab. 1. The Port of Liepaja's volumes

	2014	2015	Yoy
Dry bulk, incl.	3,635.2 thou. tn	3,923.7 thou. tn	+7.9%
grains & cereal products	2,753.5 thou. tn	2,901.5 thou. tn	+5.4%
General cargo	1,312.0 thou. tn	1,324.9 thou. tn	+1.0%
Liquids	352.6 thou. tn	362.8 thou. tn	+2.9%
Total	5,299,899 tn	5,611,441 tn	+5.9%
Ro-ro units	32,264	33,657	+4.3%
TEU	3,615	3,669	+1.5%
Passengers	42,305	39,782	-6.0%

Developing the OPS together

On September 9th, at this year's annual Baltic Ports Organization conference, four Baltic ports – Tallinn, Helsinki, Stockholm, and Turku signed a Memorandum of Understanding (MoU) aimed at setting a common approach towards a new onshore power supply for vessels.



All four ports definitely have one thing in common – their passenger ferry quays are located close to their city centres. The areas are of high value for real estate projects, which are being developed closer and closer to the ports. The combination of noise, vibration and other ship emissions has a negative effect on existing and future living and working areas. Therefore, the four ports see that one option for reducing or even eliminating all the negative effects is to connect ferries to the onshore electricity grid while berthed.

The Memorandum touches upon three aspects – first, the ports will provide newbuilt connections of a voltage of 11 kV and a frequency of 50 Hz. Second, the parties will jointly encourage other ports and shipping companies to follow the

initiative and recommendations concerning onshore power supply standards, and finally, Tallinn, Helsinki, Stockholm, and Turku will continue to work to minimize the negative effects on the environment of port operations and shipping in the Baltic Sea region. ■



In memory of

Ulrich Bauermeister



**BPO Board Member and CEO of the Port of Rostock
who died after a long illness.**

**On behalf of all members of BPO we would like to express our sympathy
to Ulrich's family and friends.**

Baltic Ports Conference 2016

by Przemysław Myszka

“Running together,” that’s how Walter P. Purio, who travelled all the way from Australia’s Marine Fuels Institute, deftly summed up his reaction to what he saw and heard on the cooperation between the Baltic Sea region’s seaports during this year’s annual conference of the 25-year old Baltic Ports Organization (BPO), held in the capital of Finland on September 8th and 9th, jointly hosted by the ports of Helsinki and HaminaKotka.

Walter confessed that he had prepared a completely different speech for the conference’s panel discussion on Day 2, but scrapped it as he was amazed by the history, scope, and depth of teamwork he found in the Baltic, both when it comes to interpersonal matters, but most of all regarding numerous multiparty private-public technological incentives the Baltic region seems to champion, just to name on- and offshore LNG developments. “One can run faster if

unlocking the road for the market economy to settle down in the south-eastern part of the region, bringing with it both containerisation as well as EU-sation. Kimmo Naski, the Port of HaminaKotka’s CEO, agreed that the world and the port business looked very different a quarter of a century ago, but the BPO was always very keen on topical questions independently of the times, and actively shaped the regional and Baltic-EU agenda, bringing e.g. sustainability to the foreground, as added by the conference’s

of rush, aggravated by all the uncertainties recent years have brought about. Lene Espersen, chairing the Baltic Development Forum (BDF), also said that the Baltic can be a frontrunner in digitalisation. The region is distinguished by one particular feature, too, Lene went on, i.e. by the ability to continue cooperation despite various tensions; in this matter she referred to the economic war between the West and Russia, which however did not cut off regional cooperation across other fields. Flemming Stender, BDF’s



Evening reception day before the conference

one sprints alone, but one can go farther if one runs together with others,” Walter went over his feelings towards the Baltic.

In bygone days, and the future ahead

“This year’s 25th anniversary conference summarized the past, but most of all talked about the future of the region and of the port industry,” Julian Skelnik, BPO’s re-elected Chairman, painted the event’s atmosphere. Indeed, the opening speeches were full of recollections how things looked back when the BPO was formed in 1991. Christel Wiman, chairing the Organization in years 2002-07 as the Ports of Stockholm’s CEO, reminded us that back 25 years ago we didn’t have the Internet and all the handy communication tools it provides nowadays, while the Cold War came to its end,

other host, Kimmo Mäki, leading the Port of Helsinki.

Esko Aho, the East Office Finnish Industry’s Chairman and the former Prime Minister of Finland, was of the same mind concerning the past, but focused more on the future of the world in general, and the Baltic in particular. The economically developed parts of the globe are already struggling with several breaking-point challenges, including rapidly ageing societies, man-made pressure on the Earth’s ecosystem, globalisation vs. nationalism, the ongoing digital revolution, as well as the productivity blockade. As such, the Baltic has the capacity to help the world in dealing with these, but two things are crucial here, namely having a concept, and patience. Especially the latter is needed in today’s era, dominated it seems by a culture

Director, supplemented Lene’s thoughts by underlining that the Baltic is one of the most prosperous macro regions in the world, characterized by a high level of cohesion, along with social-wide importance attached to sustainability.

Baltic standards

Then again, is the future painted in bright colours for all Baltic parties? What will happen with small and medium ports – Julian Skelnik asked – in the context of the new TEN-T map, arguably supporting bigger ports over their smaller neighbours, as well as in light of the concentration of capital in logistics chains driven among others by the deployment of ever larger ships which in turn require capital-intensive infrastructures?

Julian tabled his proposal for discussion, taking the shape of fiscal tools (e.g. tax exemptions) that would make it easier for smaller ports to cover what they lose on the cargo turnover side with investments done by port-related industries (e.g. in-harbour production sites or service centres for the so-called Blue Economy) or the tourism business on the other. If successful, this strategy could be yet another Baltic achievement worth sharing with others. “I believe it’s time – Julian emphasized in this context – to promote the Baltic’s high technical, organisational, corporate, but more importantly, environmental standards in Europe, and maybe even in other parts of the world.”

But why should the Baltic act as a benchmark for others? Because, as Merja Kyllönen, Member of the European Parliament and Finland’s Minister of Transport in the past, added to Julian’s remarks, the Baltic standards stand for creating a liveable environment for future generations.

SECA, NECA, PRF, BWMC, LNG, OPS, etc.

Henrik Hololei, DG Mobility and Transport’s Director General, described the Baltic seaports as bound by the region’s unique geography, which over time has made them leaders in short sea shipping and related eco-issues. As such, the region has become a laboratory for new cleantech technologies, though some argued in pre-Sulphur Directive times that it would more likely be a battleground.

And, while the transition did not happen without its fair share of aches and pains, it also resulted in a wealth of knowledge and quite a few innovations, edge cutting the region over other parts of Europe, not to mention other solutions like e.g. onshore power supply (OPS), persuaded voluntarily by Baltic port authorities in making their facilities more environmentally- and health-friendly (read more about BPO’s input into OPS on pg. XX). Taking stock of Baltic experiences, and especially those bad relating to the more stringent new sulphur rules, Dimitrios Theologitis, the European Commission’s Head of Unit Ports and Inland Navigation, talked about creating an EU-wide level playing field with the use of impact assessments on given issues before new laws are adopted.

This way or another, noted HELCOM’s Hermann Backer, the Baltic has been jointly tackling several region-wide issues since the 1970s, including oil spills (the number of which has significantly decreased), ships’ exhaust gases (figures show that the Sulphur Directive has really worked in axing down sulphur dioxide emissions), with measures

for other challenges being in the pipeline, such as limiting vessels’ nitrogen input into the air and sea to counter human health hazards and eutrophication, as well as combating the negative impact alien species brought in ships’ ballast water have on the region’s ecosystem, and port and other marine infrastructures. Concerning other concrete Baltic actions, the conference was accompanied by the Green InfraPort Seminar, which dug into the details on small-scale LNG infrastructure, port reception facilities, and onshore power supply.

Helsinki by night

Nevertheless, the Baltic Ports Conference would be incomplete without its famous gala dinner, this year boosted by the celebrations of BPO’s 25th anniversary. The feast, BPO’s Secretary General Bogdan Oldakowski serving as the event’s emcee, was embellished with opera singers, but first and foremost with numerous personal touch speeches on the past quarter of a century. Additionally, each and every BPO member was awarded with a badge commemorating the 25th birthday, while people of outstanding merit for the development of the Organization also received special statuettes.

“Year 2016 marks the 25th anniversary of the BPO, filling the members not only with joy but also with a feeling of readiness to confidently tackle the multiple challenges lying ahead. Further strengthening of regional cooperation remains, besides the state of the economy and trade in the Baltic Sea region, one of BPO’s top priorities,” Julian Skelnik brought to a conclusion the Baltic Ports Conference 2016 as well as the Organization’s focus. The first year of another two-and-a-half decades of BPO’s undertakings will be reviewed during the Baltic Ports Conference 2017. ■

