



Report on structured interviews with Logistics Service Providers and Shippers

LATVIA

Activity: WP 2 "Intermodal Logistics", Activities 2.1.2.1. and 2.1.2.2.

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1 Introduction

The aim of this report is to analyse current situation and perspectives of cargo transportation in Latvia within the North Sea Baltic Corridor.

The objectives of the report are to define and to categorise stakeholders (Logistics Service Providers and Shippers), to evaluate their vision and strategy for creating a new intermodal transport chain as well as their experience, to identify, to categorise and to rank existing bottlenecks, barriers and business needs for intermodal logistics in the NSB corridor development and suggestions to overcome them, and to identify practice ICT solutions dedicated to intermodal transport and freight monitoring.

The report is based on opinions of relevant stakeholders collected during individual and group interviews.

2 Statistics and description of actual situation

According to the data of the Central Statistical Bureau of Latvia, the volume of Latvian foreign trade in actual prices in 2016 amounted to 22,611.6 million EUR, which is 243.8 million EUR or 1.1% less than in 2015.

The volume of imports in 2016 was presented at the level of 12,279.3 million EUR and it decreased by 0.3% (30.9 million EUR) as compared with the data of 2015, and the volume of exports amounted to 10,332.3 million EUR which is 1.7% (212.9 million EUR) less than the results of 2015.

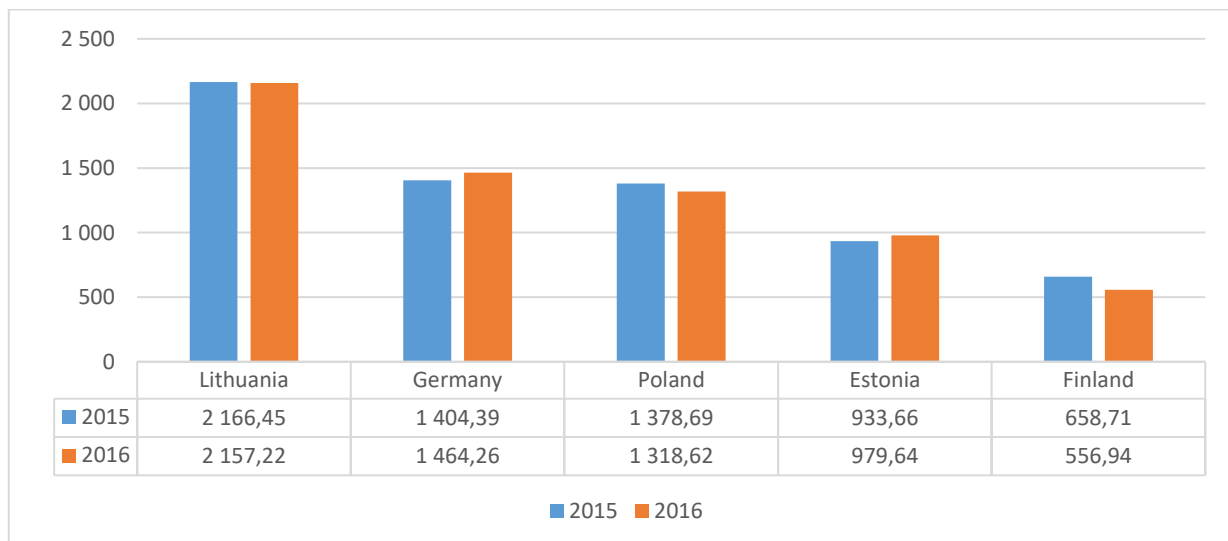


Diagram 1. Major Latvian partners in import among EU countries (in mln. EUR)

As the [Diagram 1](#) shows, the participating countries of the NSB CoRe project held 5 leading positions in the list of Latvia's main import partners in both 2015 and 2016. The total imports from 5 countries decreased by 1% in 2016 as compared to 2015. The import from Finland decreased by 18% in contrast to stable indicators of other countries.

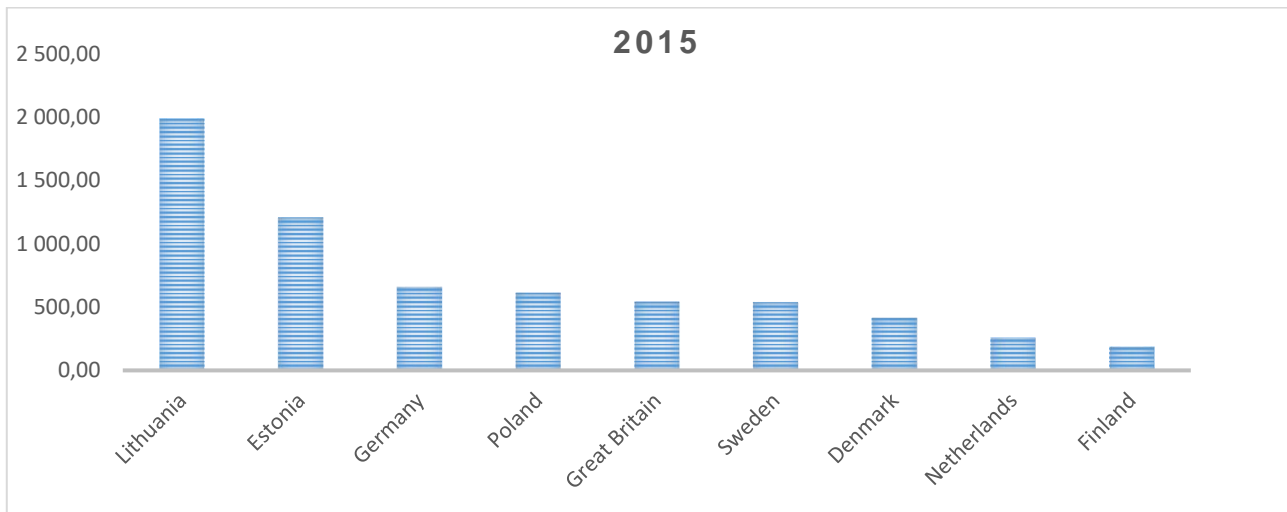


Diagram 2. Major Latvian export partners among EU countries in 2015 (in mln. EUR)

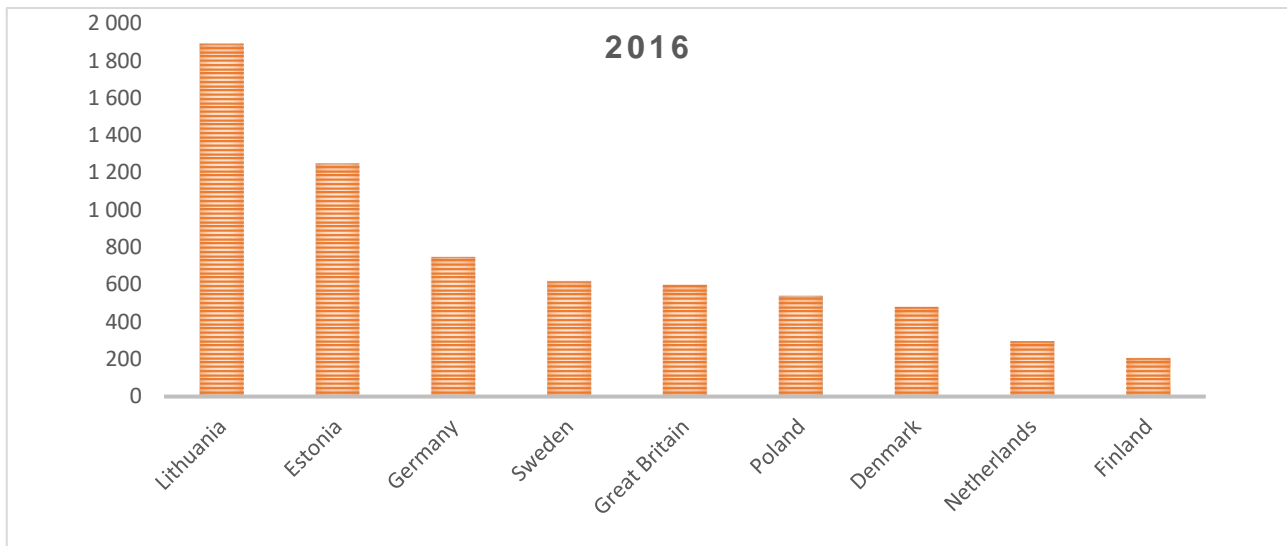


Diagram 3. Major Latvian export partners among EU countries in 2016 (in mln. EUR)

Diagrams 2 and 3 show the major Latvian export partners in 2015 and 2016. Lithuania, Estonia, and Germany, countries of the NSB CoRe project, have been the largest Latvian export partners for the last 2 years. Poland, which was ranked 4th in the list of exporters – EU member-states in 2015, moved to the sixth position in 2016, giving way to Sweden and UK. Finland is ranked 9th in the list in both periods.

Export to 5 countries of the North Sea Baltic tranpost corridor remained at the level of the previous year in 2016. Decline in exports to Poland by 14.1% was compensated by an increase in exports in Germany by 13.5% and in Finland by 7.9%.

The main products of the Latvian export and import baskets are shown in [Tables 1 and 2](#).

Goods (code)	2015		2016		2016% vs 2015%
	Mln. EUR	%	Mln. EUR	%	
Wood and wood products (44)	1,709.2	16.5	1,793.8	17.4	5.0
Electrical engineering (85)	1,359.4	13.1	1,176.3	11.4	-13.5
Machinery and equipment (84)	623.5	6.0	634.9	6.1	1.8
Cars and parts of cars (87)	494.3	5.0	567.5	5.5	14.8
Mineral products (25-27)	702.7	6.8	520.2	5.0	-26.0
Pharmaceutical products (30)	326.8	3.2	406.0	3.9	24.3
Food products (cereals) (10)	414.1	4.0	399.7	3.9	-3.5
Beverages (22)	395.3	3.8	394.8	3.8	-0.1
Metal products (72)	321.5	3.1	338.2	3.3	5.2
Metal products (73)	372.0	3.6	305.7	3.0	-17.8
Others	3,644.4	34.9	3,795.2	36.7	5.2
Total	10,363.2	100.0	10,332.3	100.00	-0.3

Table 1. Main goods in Latvia export (Mln. EUR)

Goods (code)	2015		2016		2016% vs 2015%
	Mln. EUR	%	Mln. EUR	%	
Electrical engineering (85)	1,527.8	12.2	1,421.3	11.6	-7.0
Machinery and equipment (84)	1,221.2	9.8	1,181.2	9.6	-3.3
Cars and parts of cars (87)	939.8	7.5	1,135.9	9.3	20.9
Mineral products (25-27)	1,507.4	12.1	1,109.8	9.0	-26.4
Pharmaceutical products (30)	507.7	4.1	573.5	4.7	13.0
Rubbers and plastics product	496.5	4.0	512.0	4.2	3.1
Metal products (72)	434.9	3.5	408.0	3.3	-6.2
Wood and wood products (44)	356.6	2.9	408.0	3.3	14.4
Beverages (22)	335.4	2.7	365.3	3.0	8.9
Textiles (61-62)	283.5	2.3	282.3	2.3	-0.4
Others	4,881.3	38.9	4,881.9	39.7	2.1
Total	12,492.1	100.0	12,279.2	100.00	- 1.7

Table 2. Main goods in Latvia import (Mln. EUR)

Exports from Latvia in 2016 almost retained the previous year's positions. The decrease in electrical equipment and mineral products export performance was compensated by a significant increase in the indicators for Cars and car parts, as well as in Pharmaceutical products and Wood and wood products. A slight decline in imports is explained by the composition of decrease in mineral products sales and increase in the volume of Cars and car parts and Pharmaceutical products import.

We will now consider the import/export relation to other countries along the NSB corridor. (Sources: Central Statistical Bureau of Latvia, Investment and Development Agency of Latvia (operative dates)).

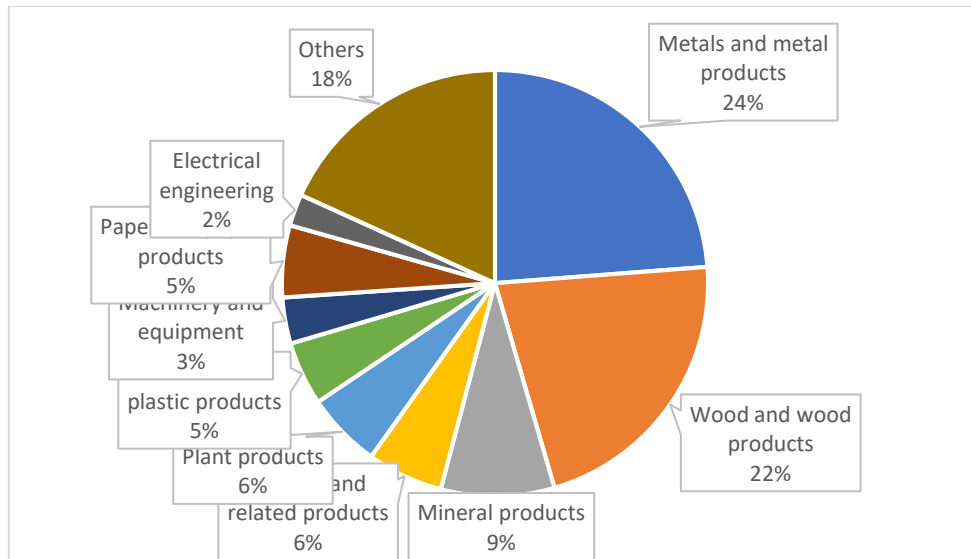


Diagram 4. Latvia: export to Finland in 2015 (share by goods categories)

More than 50% of the export basket with Finland traditionally hold the top 3 positions in the list of exported goods. New players in 2016 in the top nine are Furniture (5.3%) and Animal food (2.5%).

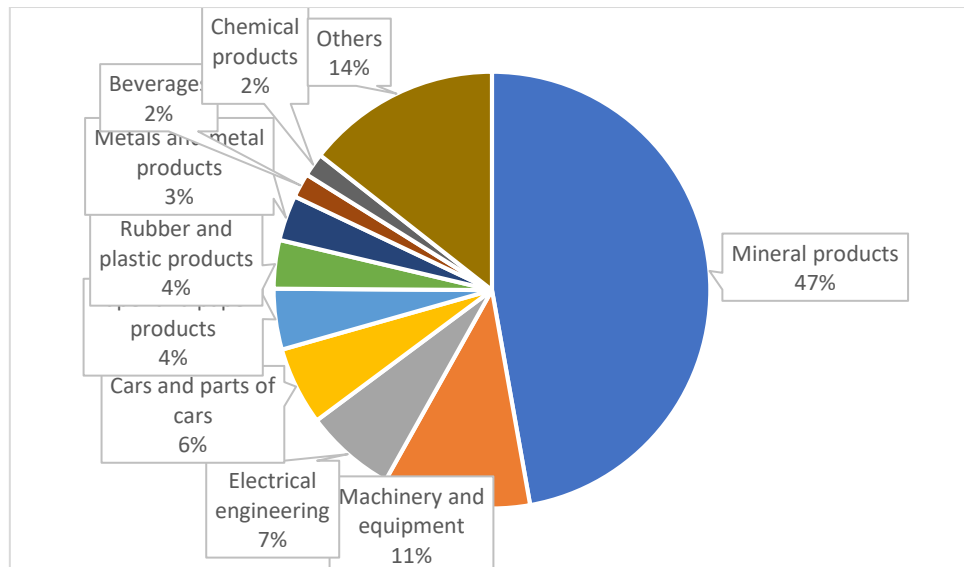


Diagram 5. Latvia: import from Finland in 2015 (share by goods categories)

Mineral products are the apparent leader in import from Finland; the situation in 2016 did not changed as compared with 2015.

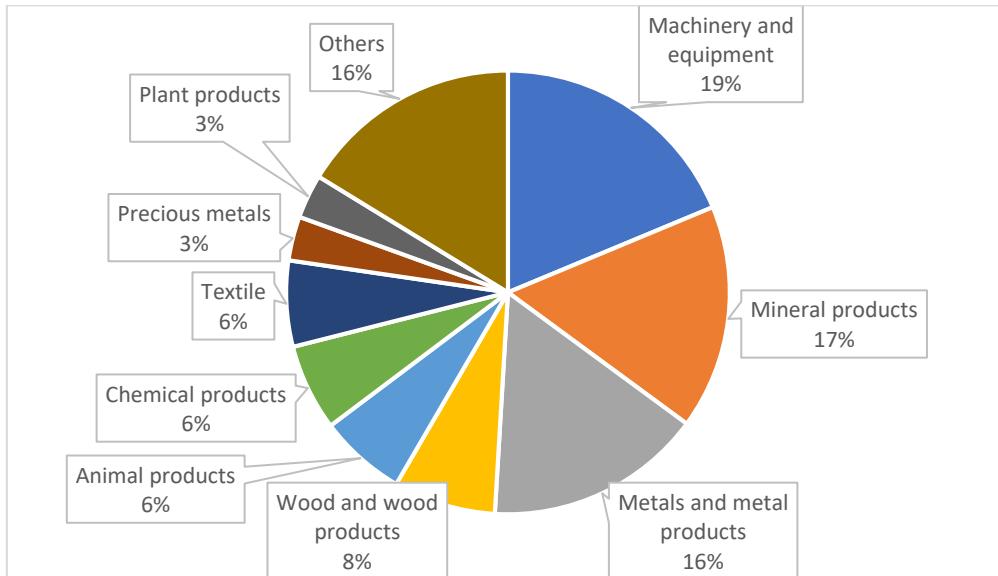


Diagram 6. Latvia: export to Poland in 2015 (share by goods categories)

In 2016, export to Poland decreased by 12% as compared to 2015. Such significant decrease is due to decline in the indicators for the three main export positions, including Mineral products -26%, Machinery and equipment -12%, and Metal and metal products -6%.

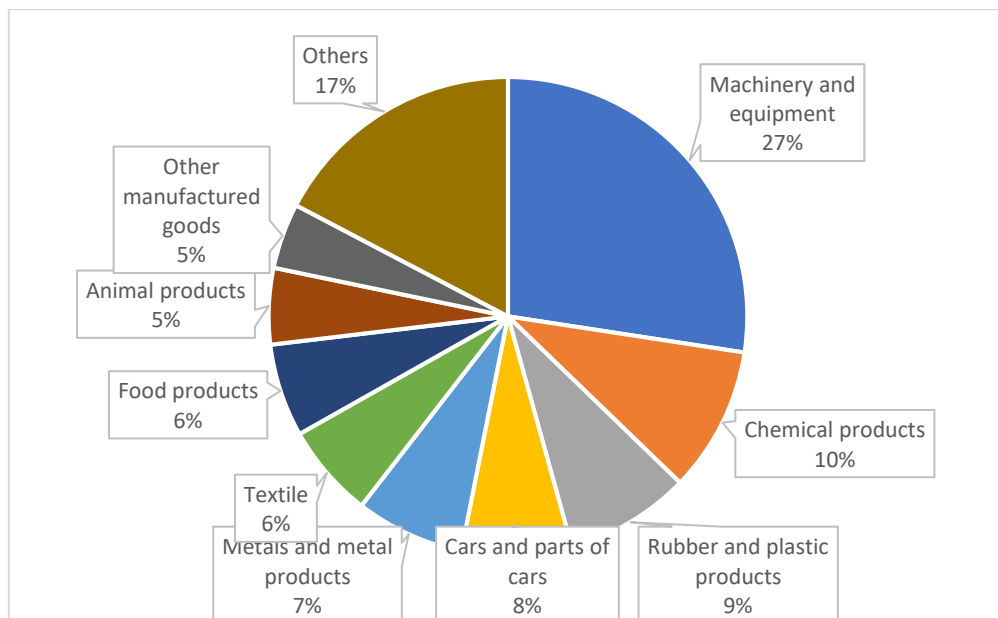


Diagram 7. Latvia: import from Poland in 2015 (share by goods categories)

The decline in import from Poland by 4% in 2016 was mainly related to decline in import of Machinery and equipment (-19%), it was partly compensated by increase in import of Chemical products (9%), Food products (28%), and Metal and metal products (11%).

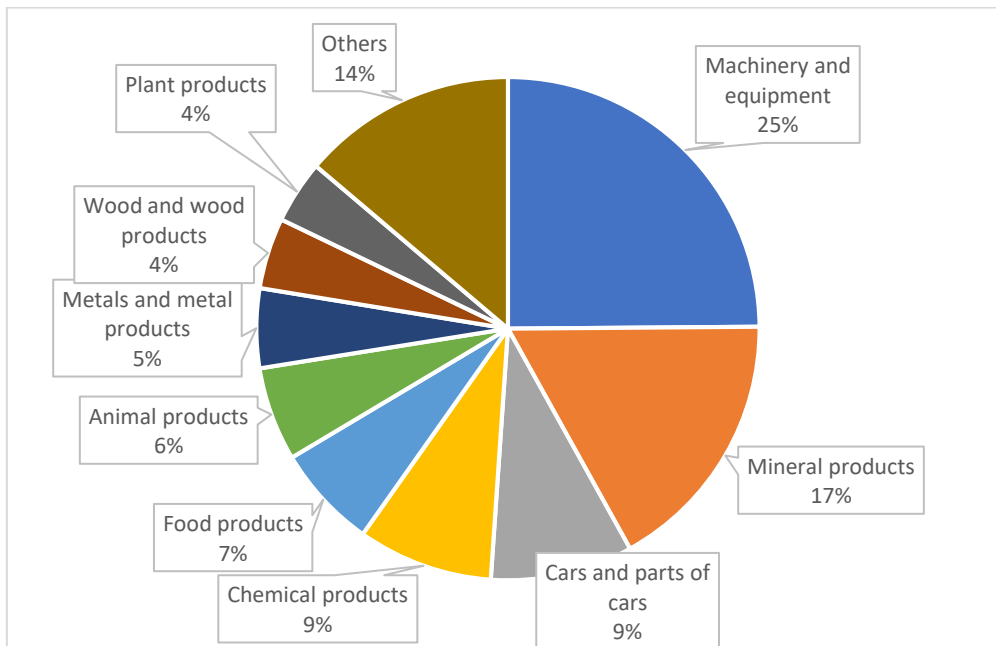


Diagram 8. Latvia: export to Lithuania in 2015 (share by goods categories)

The export to Lithuania decreased by 5% in 2016 as compared to the data of 2015. The impact of significant decline in exports of Mineral products (-35%) is compensated by an increase in export for such items as Food products (10%) and Animal products (11%).

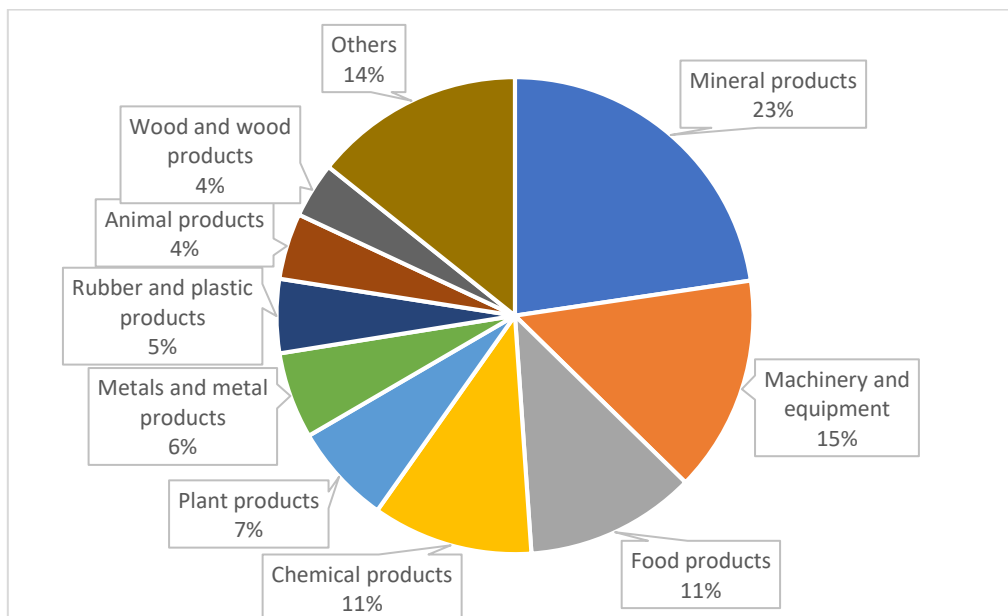


Diagram 9. Latvia: import from Lithuania in 2015 (share by goods categories)

Import from Lithuania in 2016 virtually remained at the level of the previous year (-0.3%). Severe decrease in import of Mineral products (-24%) did not have a significant impact on the overall indicator due to increase in import Machinery and equipment (12%), Chemical products (9%), and Plant products (20%).

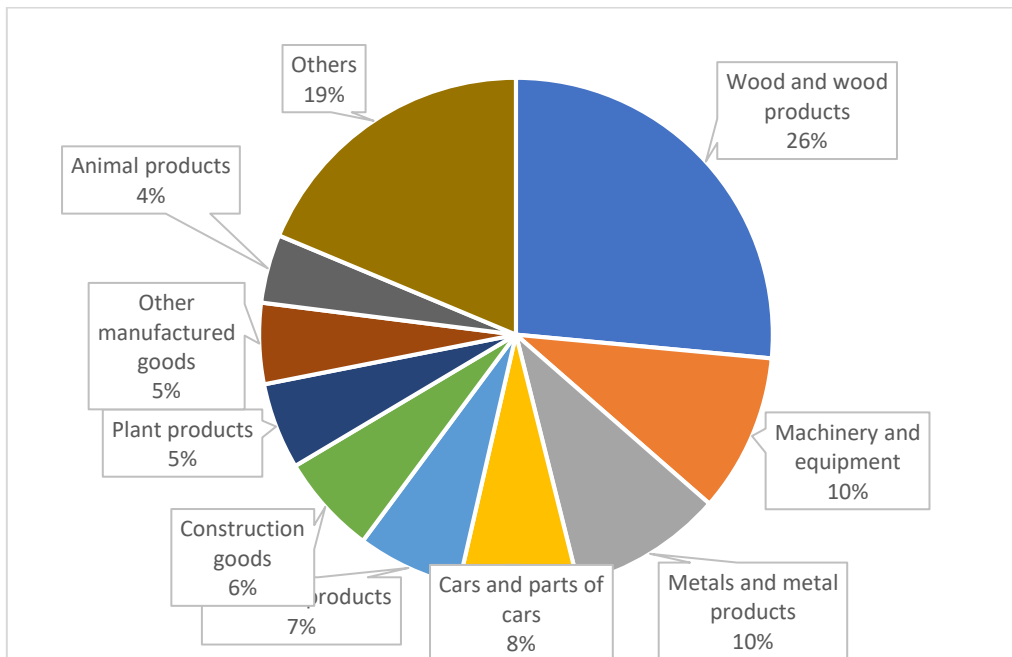


Diagram 10. Latvia: export to Germany in 2015 (share by goods categories)

The increase in export to Germany amounted to 13% in 2016 as compared to 2015. The export of Cars and car parts increased by 78%, and export of Plant products – by 103%.

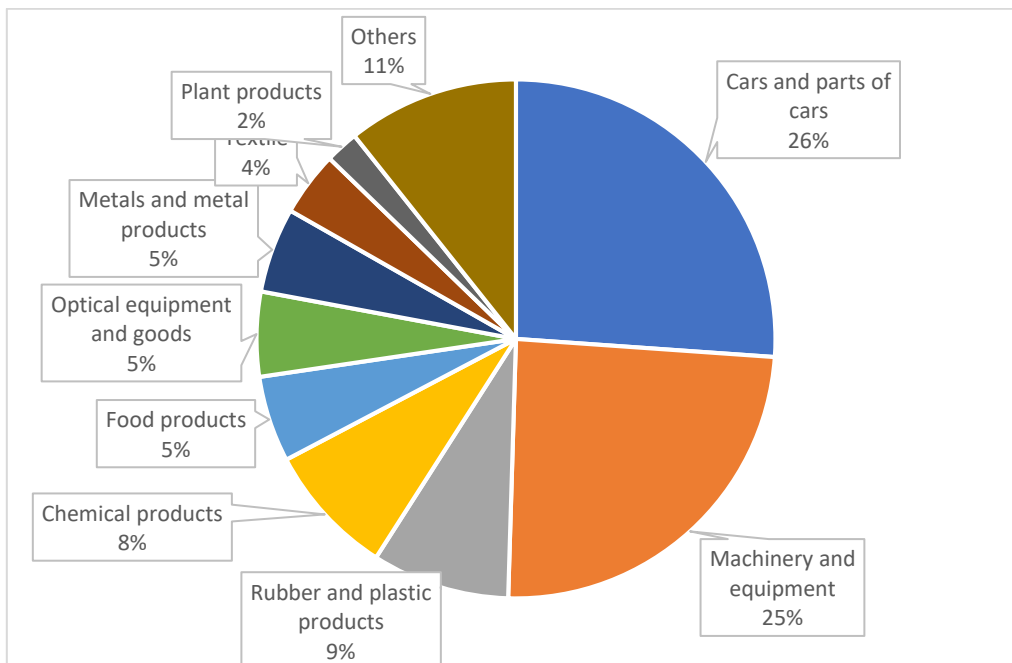


Diagram 11. Latvia: import from Germany in 2015 (share by goods categories)

Import to Germany in 2016 increased by 4% as compared to 2015, mostly due to import of Cars and car parts (21%) and Food products (49%).



Main export/import industries in Latvia and its major players

- **Wood processing**
Major players: Latvijas valsts meži, Latvijas fineris, KRONOSPAN Rīga, AKZ, United Panel Group Europe, Lameko Impex, Kurekss, Avoti SWF, Daiļrade koks
- **Machinery and equipment**
Major players: AKG THERMOTECHNIK LETTLAND, Bucher Municipal, ZIEGLERA MAŠĪNBŪVE, TTS (Transportation Technology Systems), Rīgas elektromašīnbūves rūpnīca
- **Electrical engineering**
Major players: Loxel Fabrika, AE Partner, Axon Cable, Jauda, ABMS TEHNOLOĢIJA, SIA HansaMatrix, BAJTEL.LV
- **Food & beverages**
Major players: Rīgas piena kombināts, Valmieras piens, Rīgas piensaimnieks, Rīgas miesnieks, Dobeles dzirnavnieks, Antaris, Rīgas dzirnavnieks, Aloja-starkelsen, Cido grupa, Balticovo, Puratos, Spilve
- **Metals and metal products**
Major players: Severstal Distribution, EAST METAL, RK Metāls, Jensen Metal, LSEZ LEAX Baltix, BRABANTIA LATVIA, SIGMEN
- **Chemicals (Pharmaceutical & beauty products)**
Major players: Biolar, Spodrība, Jaunpagasts plus, AGA, Tenachem, Bio-Venta, Stenders, Elme Messer, Dzintars, Olainfarm, Grindeks, Silvanols, Madara
- **Rubber & plastic products**
Major players: Evopipes, Rotons, Poliurs, Baltijas gumijas fabrika, Sunningdale Tech, Fedak-Films, HGF Rīga
- **Paper and paper products**
Major players: LIVONIA PRINT, Stora Enso Packaging, PGM, DPN, Preses nams Baltics, Tehnoinform, VG Kvadra Pak, Jelgavas tipogrāfija
- **Textile and clothing**
Major players: Valmieras stikla šķiedra, Lauma Fabrics, Mežroze, PEMT, New Rosme, Ogres Trikotāža, Lauma lingerie



3 Methodology of the study

The study consisting of the following steps was conducted in the framework of the report preparation:

- Identification of the stakeholders among the Logistics Services Providers (LSP), their categorisation based on the types of services provided;
- Statistical analysis of export-import sector of Latvian economy and cargo flow along the North Sea – Baltic transport corridor;
- Identification of the stakeholders among Shippers from the leading industries;
- Identification of stakeholders' opinions via 2 developed intermodal surveys forms (separately for LSP and Shippers)
- Processing of opinions and data collected during interviews;
- Preparation of conclusions.

In order to carry out the study, 2 questionnaires for main stakeholders acting as LSP and Shippers were prepared by the Project partners.

All LSPs were contacted beforehand to discuss the North Sea – Baltic transport corridor development and objectives of the interview. Then they were sent letters describing the project and a link to the survey form, and a support letter from the Latvian Ministry of Transport. Of the 22 responses received, 18 were given by reference, one interviewer was interviewed over the phone, responses were also received in an open interview of three participants simultaneously. The form of the interview was acknowledged as convenient for filling in by the key person without involving additional specialists of the company. Response rate to an invitation to participate in the interview was 91% and can be considered as high.

The situation with the interview of Shippers significantly differed from the aforesaid. In general, shippers did not demonstrate a positive attitude towards participation in interviews. Open-ended questions were less popular during the interviews.

None of the individuals who were previously contacted by phone (20 persons) and sent the appropriate letters with an invitation to participate in the survey filled out the form by reference. Interview form was described by shippers as too complicated: only one representative was able to fill in the form individually without any support or guidance provided. In most cases, completion of the application form required involvement of 2-3 employees from one company.

Part of the information in the interview form was positioned as confidential.

All answers were received during telephone interviews with the representatives of Shippers. In some cases, communication with 2-3 key persons was required to get answers to all the questions of the form. Response rate to an invitation to participate in an interview was 43% and can be considered as medium.

4 Study conduction, analysis and results

The survey was conducted among Logistics Services Providers and Shippers according to the work task.

4.1 Structured interviews with Logistics Services Providers

During planning of the interview, 20 Logistics Services Providers were identified as the target audience in Latvia with the following classification depending on their service specialisation indicated in [Table 3](#). 22 Logistics Services Providers with slightly different distribution of services were interviewed, which is reflected in the same Table.

Latvia:	Target	Actual	Difference
Freight Forwarders	5	9	+4
Intermodal train operators	3	3	-
Rail carriers	3	3	-
Container terminals (sea and inland)	4	4	-
Road carriers	5	3	-2
TOTAL LSP	20	22	+2

[Table 3](#). Number of surveys from Logistics Service Providers (Target and actual).

The representatives of the transport and logistics industry holding the key positions in transport of goods to/from Latvia, including via the NSB transport corridor, participated in the survey. During the interview, the target audience was covered by 10% more than planned. At the same time, the excessive number of surveyed Freight Forwarders and the smaller number of interviewed Road carriers can be explained by the fact that some leading Road carriers position themselves as Freight Forwarders due to a wider range of customer services.

2 respondents represented Ventspils (Container Terminal and Freight Forwarder), 20 represented Riga.

The companies participating in the survey can be classified as follows depending on their size:

- Depending on the number of employees, as indicated in [Diagram 12](#).
- Depending on the turnover, as indicated in [Diagram 13](#).

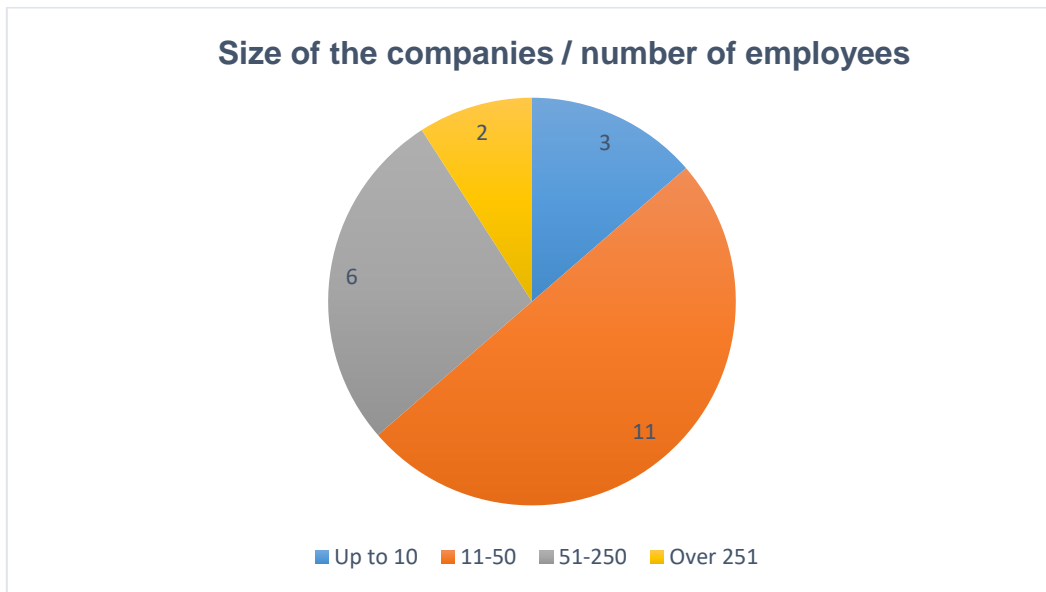


Diagram 12. Size of the interviewed LSP depending on the number of employees

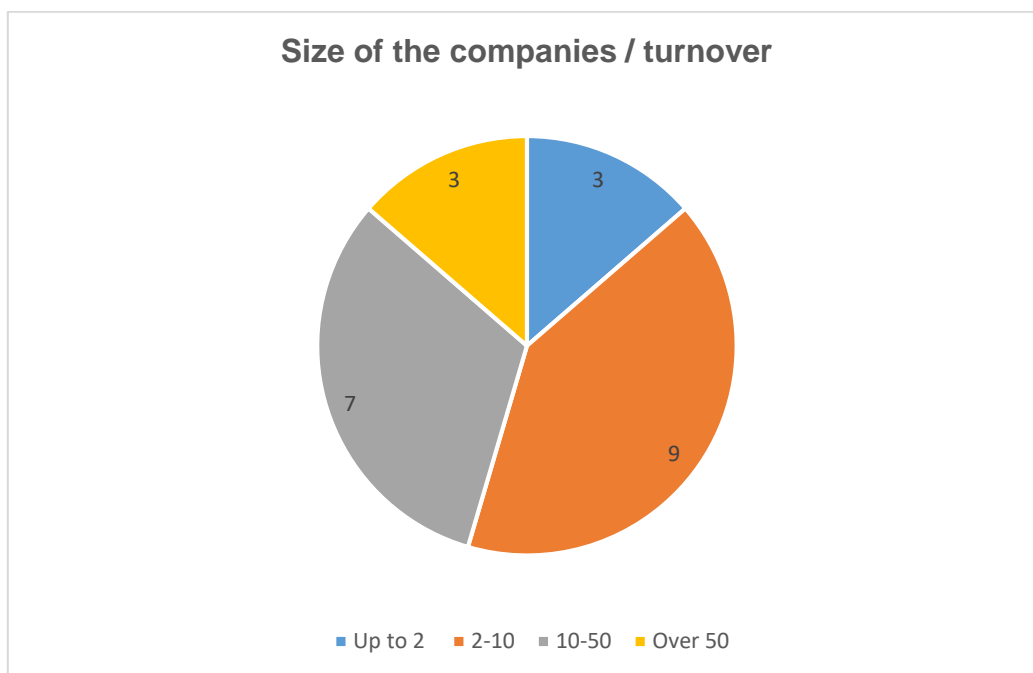


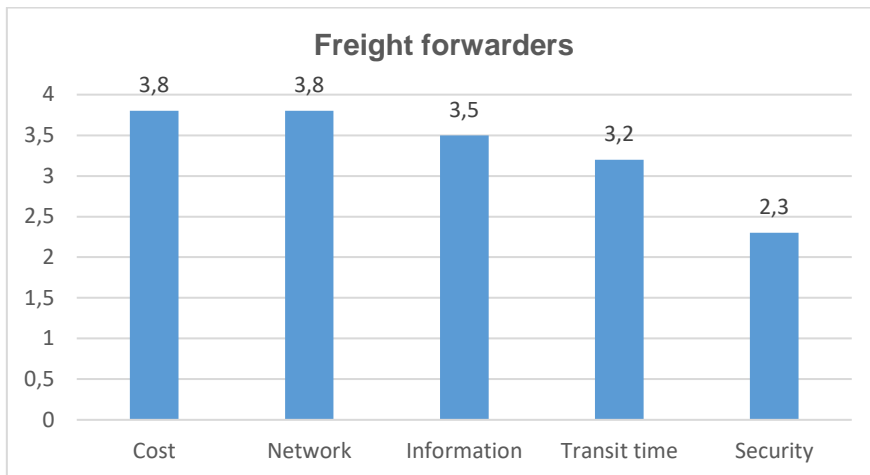
Diagram 13. Size of the interviewed LSP depending on the turnover (Mln EUR)

Categorisation of barriers for intermodal transport development in Latvia was carried out to standardise the interviews's results and bring them to a common vision; it is presented in [Table 4](#).

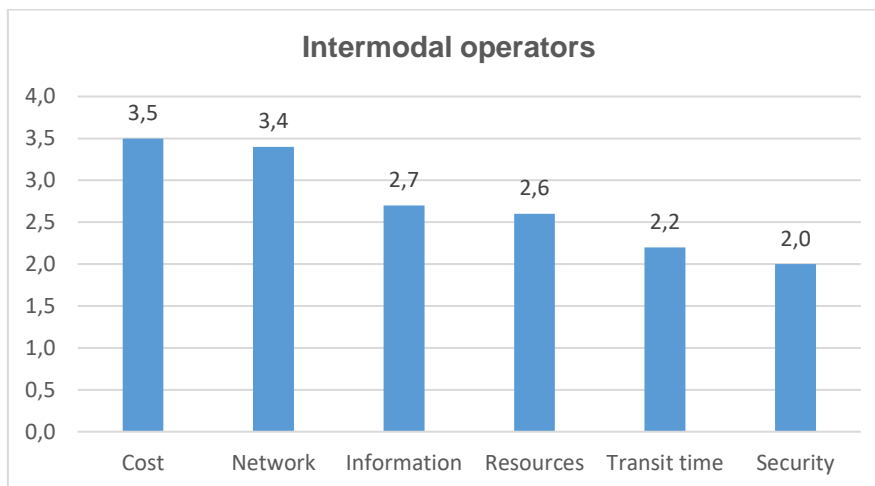
Barrier's categorisation		Freight forwarders	Intermodal train operators	Rail carriers	Container terminals	Road carriers
Cost	Too expensive comparing to road transport	X	X	X	X	X
	High fee for access to infrastructure		X	X	X	
Transit time	Long transit time	X	X	X	X	X
	Frequent deviations from schedule	X	X	X	X	X
Security	Low security of cargo	X	X	X	X	X
	Track & trace service not available	X	X	X	X	X
Network	No adequate network (density)	X	X	X	X	
	Lack of logistics centres nearby	X	X	X	X	
	No open terminals for every carrier		X	X	X	
	Different track gauge		X	X		
	Change of locomotives at borders		X	X		
Resources	Shortage of rolling stock		X	X		
	Shortage of multi system locomotive		X	X		
	Shortage of qualified locomotive drivers		X	X		
Information	Poor exchange of EDI messages	X	X	X	X	X
	Inadequate information about connections	X	X	X	X	X

[Table 4. Categorization of barriers for intermodal transport development](#)

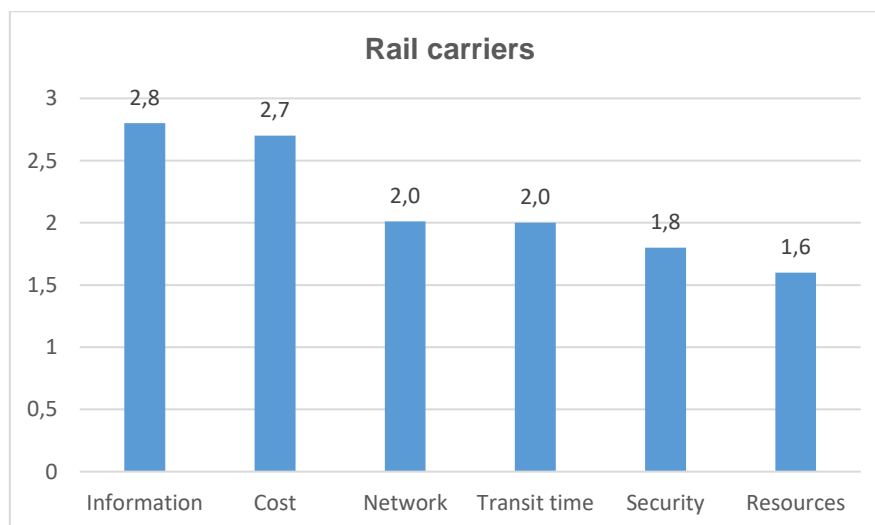
Ranking of barriers to intermodal traffic development was specified further on for each group of the Logistics services providers (freight forwarders, intermodal train operators, rail carriers, container terminals and road carriers) in accordance with the established barriers categorisation as shown in [Diagram 14-18](#) below.



[Diagram 14.](#) Ranking of barriers for intermodal traffic development/Freight forwarders



[Diagram 15.](#) Ranking of barriers for intermodal traffic development/Intermodal train operators



[Diagram 16.](#) Ranking of barriers for intermodal traffic development/Rail carriers

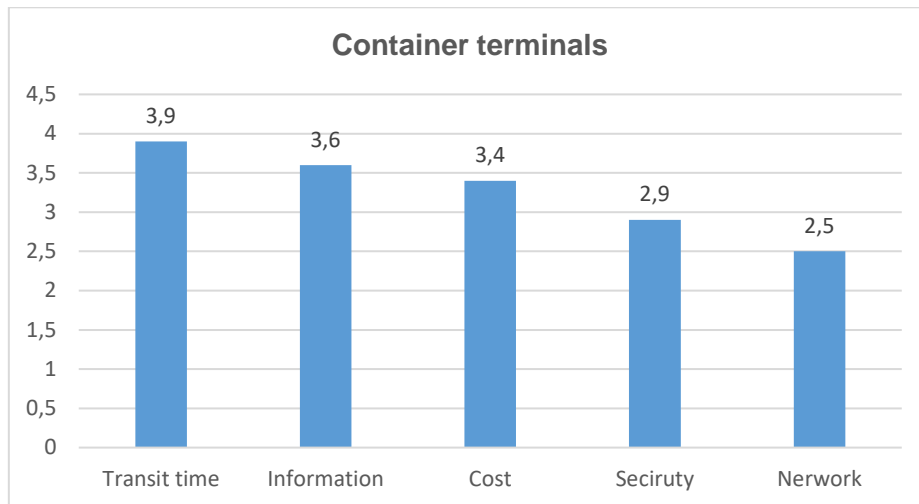


Diagram 17. Ranking of barriers for intermodal traffic development/Container terminals

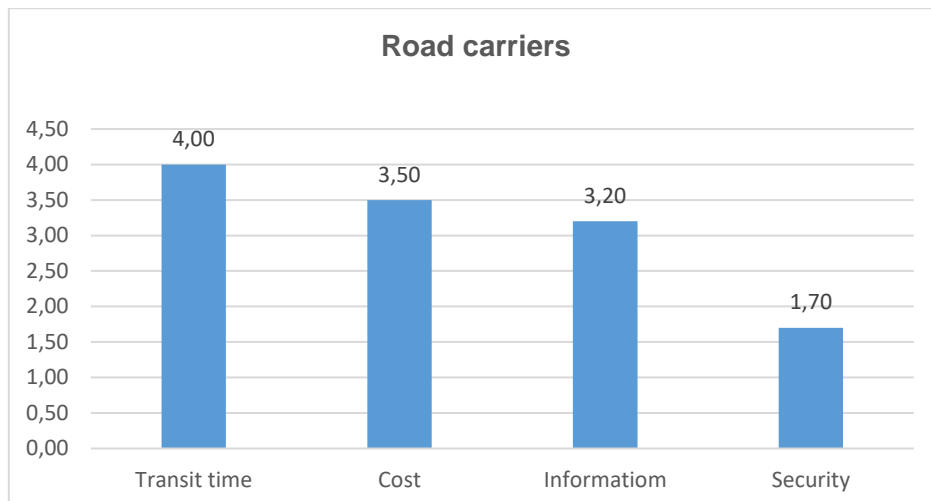


Diagram 18. Ranking of barriers for intermodal traffic development/Road carriers

A set of questions on ICT tools supporting logistics services was prepared. The percentage of positive responses is ranking separately for each group of Logistics service providers in [Table 5](#).

	Freight forwarders	Intermodal train operators	Rail carriers	Container terminals	Road carriers
Does your company use ICT to assist decision-makers in the following fields related to transport?	100	100	100	100	100
Collecting orders from the market:			100	50	
freight exchange	78	67	-	-	67
own web page	33	100	-	-	67

Presenting own services:			100	75	
data bases of delivery planning tools	44	67	-	-	67
freight exchange	60	67	-	-	0
Consolidation of shipments					
freight capacity exchange	60	33	-	-	33
Usage of tools for improvement of services	-	-	-	-	67
Cooperation with other logistics services providers at ports					
Port Community System	67	67	-	-	33
Cargo pre-notification system	-	-	-	50	-
Container identification and location	-	-	-	25	-
Container positioning at terminal	-	-	-	25	-
Logistics info exchange	-	-	-	50	-
Containers placement in a ship	-	-	-	50	-
Do you offer your clients track and trace services?	-	100	-	-	-
Sea	67	-	-	-	-
Land transport in trucks	89	-	-	-	-
Land transport in container trains	67	-	100	-	-
Please evaluate the quality of existing system for exchanging electronic messages and documents between your company and the following categories of logistics service providers?					
Intermodal train operator	22	-	67	50	33
Rail carrier	44	67	-	25	-
Container terminal	67	67	67	-	33
Road carrier	67	67	-	25	-
Freight forwarders	-	100	100	50	33
Transfer of electronic railway bills	-	-	67	-	

Table 5. Ranking of positive response to questions about using ICT tools (%)

Open questions in the complete part of the interview concerned the main trends in intermodal transport in Europe, future of intermodal connections linking the markets of Western Europe with the Baltic States. During interviews the respondents were also asked about their opinion regarding sufficient volume of goods to effectively compete with road hauliers and their forecast for the development of intermodal connections in Latvia in the next 10 years.

According to the respondents, the main trends in the development of intermodal transport in Europe include the intensive development of transport corridors, which is due, among other things, to overall



economic growth and sharp increase in trade between China and the European countries. Respondents particularly noted that boosting of rail connections would occur in the goods supply from China to Europe.

The development of intermodal terminals and hubs with high level services and flexible IT systems open for every rail carrier, consolidation of intermodal operators, transnational transport network development, strategic transport policies on cross-border integration, global strategic transport policies planning and development in the entire European Union were also mentioned as trends.

In addition, other trends were also observed in the development of new types of transport services: trucks on rails (piggyback) and transportation of trailers according to the scheme of regular trains system.

Only 4 interviewers out of 22 (18%) noted a sufficient volume of cargo in Latvia to intermodal transport operators could effectively compete with road carriers.

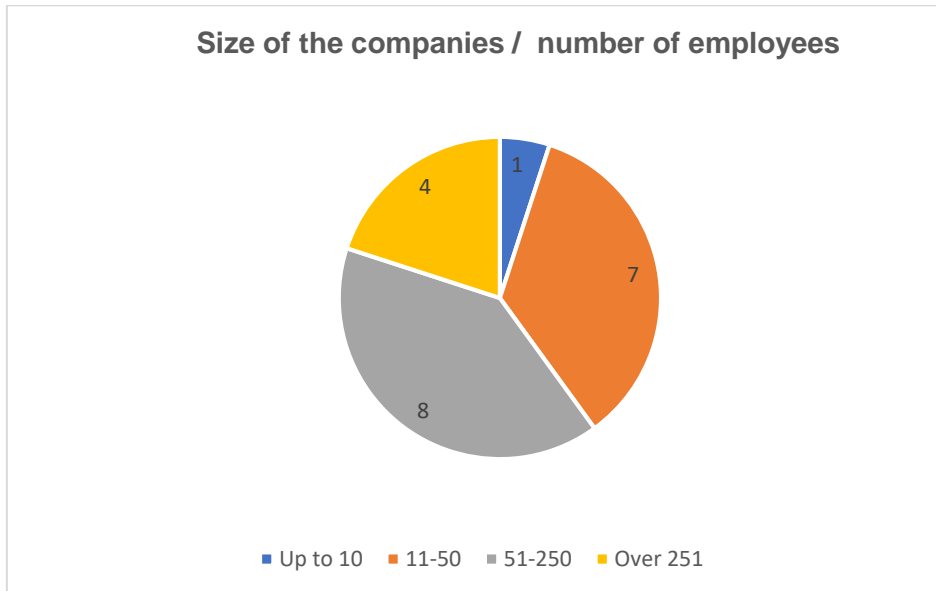
Forecast of the intermodal connections development in Latvia in the next 10 years was based on the facts that Latvia would become the centre of East-West and North-South transport corridors and a hub for distribution of cargo transported by rail from China to Scandinavian countries. At the same time, several respondents noted the dependence of rail transportation on the CIS market.

Additional cargo volume from China was considered as the main engine for the development of intermodal connections linking the markets of Western Europe with the Baltic States. The Rail Baltica will strongly contribute to linking European markets. Latvia will develop hubs for cargo distribution to 48-hour delivery regions by combination of rail and road transport. At the same time, complex rail system (2 gauges) in Latvia will allow to link China, the CIS countries with Western Europe.

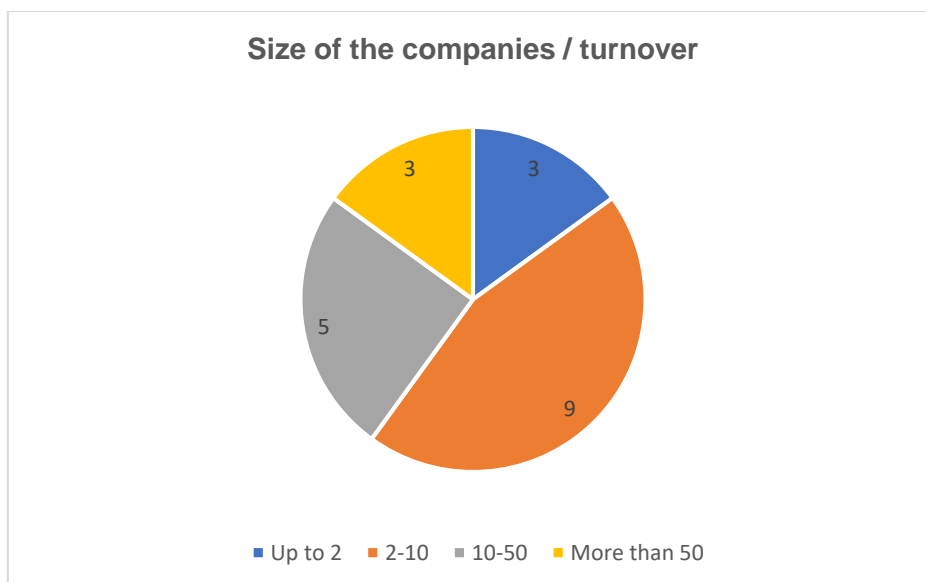
4.2 Structured interviews with Shippers

Number of interviews conducted is 20 (target 20). The representatives of all main export/import industries were interviewed. 11 Shippers represented Riga and Riga’s district, 6 Shippers – Zemgale, 2 – Kurzeme and 1 Shipper was from Vidzeme.

The profile of the companies, whose representatives were interviewed, is shown in [Diagrams 19-21](#).



[Diagram 19](#). Size of the interviewed Shippers depending on the number of employees



[Diagram 20](#). Size of the interviewed Shippers depending on the turnover (Mln EUR)

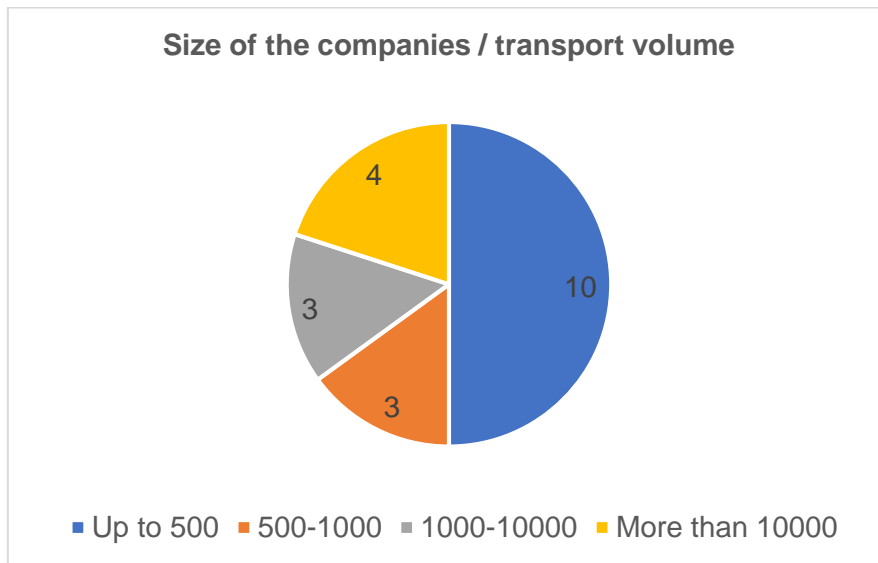


Diagram 21. Size of the interviewed Shippers depending on overall cargo transport volume per month (tonnes)

Out of the total volume of cargo, an average 47% is input (procurement) transport volume and 53% is output (distribution) transport volume.

Only 19 Shippers (out of 20) receive input cargo and 8 from them receive 100% of cargo flow by road only. 4 Shippers receive more than 90% of cargo by road too. Only 6 Shippers receive input cargo by rail and 1 of them – 100% (transit wood products from Russia). 8 companies use sea transport for cargo delivery, one of them receives 60% of cargo by the mode of transport. Air transport is not attractive enough for Latvian Shippers. The Diagram below illustrates the most used transport modes for input cargo.

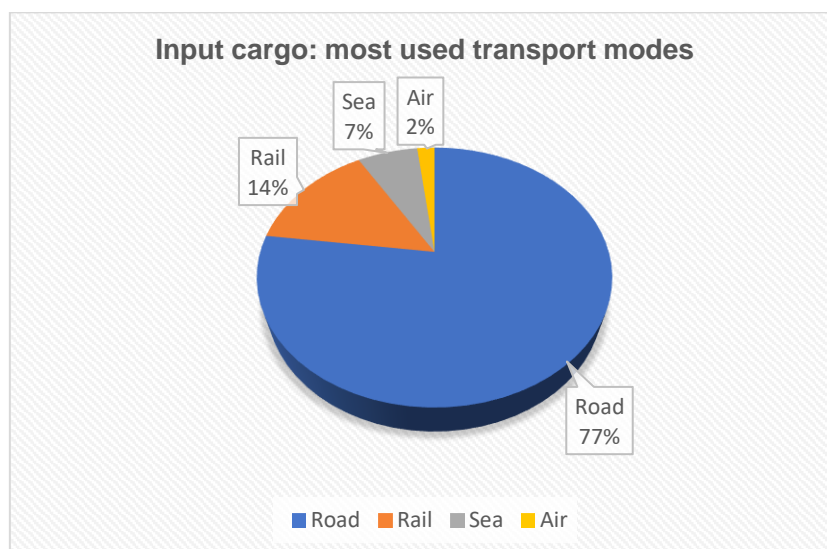


Diagram 22. Percentage of interviewed Shippers preferring the aforementioned transport mode for input cargo

19 Shippers send output cargo by road and this mode of transport ensures 90-100% of cargo flow for 14 of them. Rail transport is not claimed by Latvian Shippers, only 1 of them sends 1% of cargo by rail. 8 companies ship cargo by sea and 1 of them uses this mode for cargo distribution only. 5 Shippers ship insignificant cargo by air (only one company 30%).

The Diagram below illustrates the most used transport modes for output cargo.

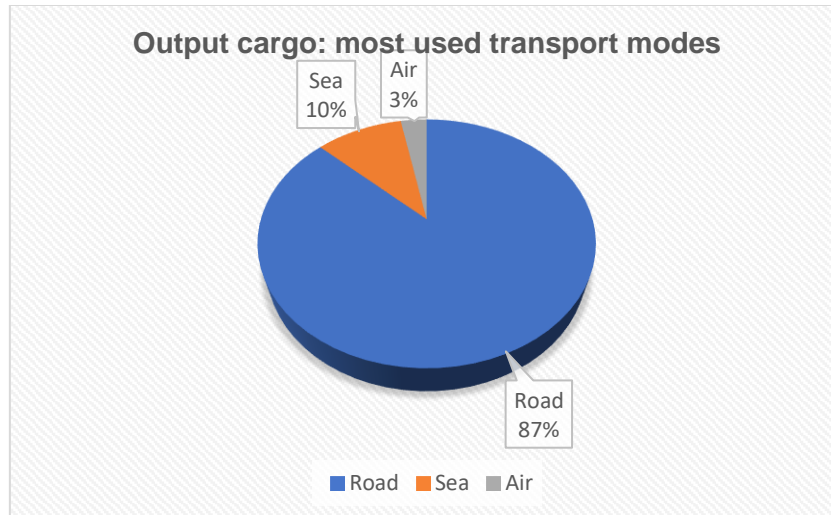


Diagram 23. Percentage of interviewed Shippers preferring the aforementioned transport mode for output cargo

During the interviews the cargo transportation directions within the frames of North Sea – Baltic corridor were defined. [Table 6](#) reflects separately percentage of interviewed companies receiving and distributing cargo from/to countries – participants in the NSB project, as well as percentage of cargo received/sent by the aforementioned countries.

Country	Shippers receive input cargo from country (%)	Average percent of cargo received from each country (%)	Shippers send output cargo to country (%)	Average percent of cargo sent to each country (%)
Latvia	70	37.6	85	28.3
Estonia	20	2.3	55	6.5
Finland	20	1.5	55	6.2
Germany	40	9.5	50	6.5
Lithuania	50	11.9	60	8.0
Poland	55	8.8	35	7.3
Overseas	40	2.5	35	6.8
Other European countries	87	25.9	90	30.4
Total		100.00		100.00

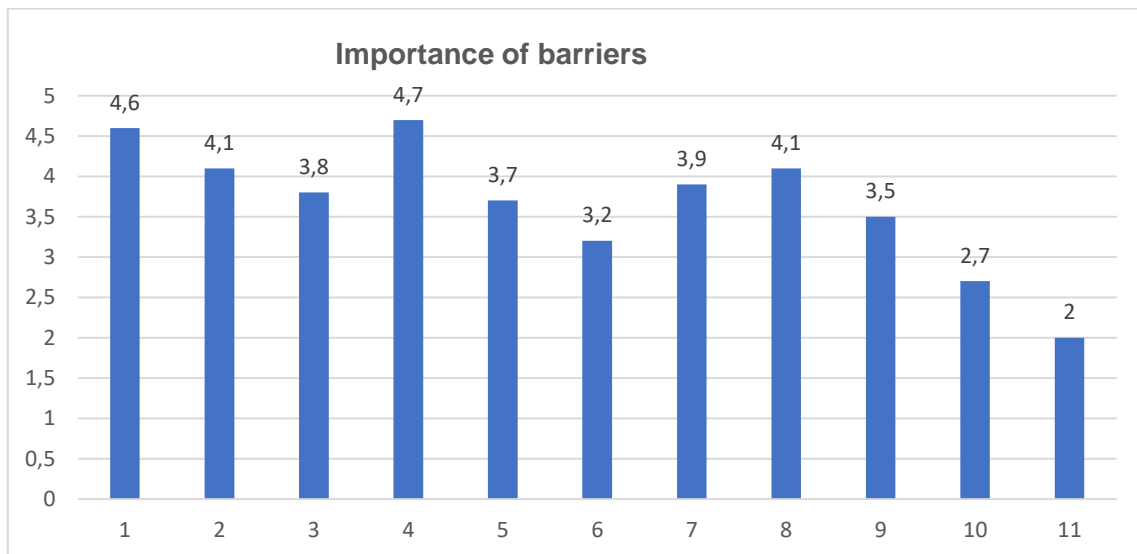
Table 6. Directions of cargo transportation by interviewed Shippers (%)

South-West Europe, Sweden, Israel, and the CIS countries were defined as Other European countries for input cargo, and South-West Europe, Central Europe, Scandinavian countries, UK, and the CIS countries were defined as Other European countries for output cargo.

The main barriers for intermodal transport development were defined in the interview's form as follows:

- 1 - Costs/too expensive compared to road transport**
- 2 - Transit time**
- 3 - Lack of flexibility
- 4 - Too less knowledge/information about combined transport**
- 5 - Security reasons
- 6 - Amount too little for intermodality
- 7 - No terminal in the vicinity or service problems with near terminals
- 8 - Inadequate frequency of intermodal transports**
- 9 - Lack of reliability (risk of delays/deviations from schedule)
- 10 - Infrastructural bottlenecks
- 11- Other barriers

The weight/importance of barriers was marked by Shippers as illustrated in [Diagram 24](#) (ranging from 1 to 6).



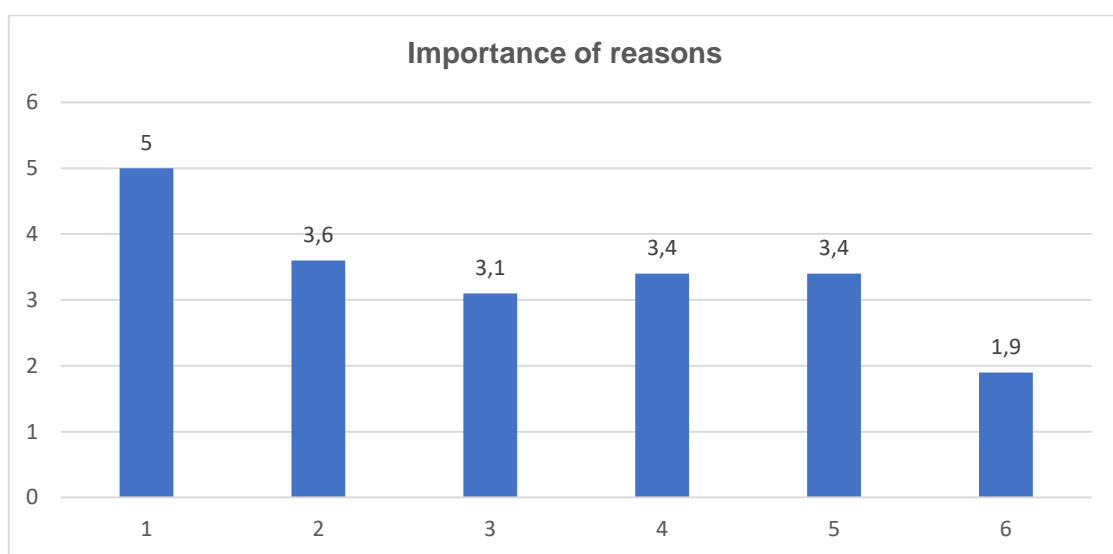
[Diagram 24](#). The main barriers for intermodal transport development

4 main barriers are marked in the list. Other barriers were defined by Shippers as follows: type of cargo is not suitable for combined transportation, shortage of rolling stock, special transport and special equipment for cargo transshipment (metal).

The main reasons for intermodal transport development were defined in the interview's form as follows:

- 1 - Image-related reasons/green logistics aspects
- 2 - Lower price compared to road traffic
- 3 - Demand of customers/clients
- 4 - Security aspects
- 5 - Quality (e.g. time advantages)
- 6 - Other reasons

The weight/importance of the reasons for intermodal transport development at the national level was marked by Shippers as illustrated in [Diagram 25](#) (ranging from 1 to 6).



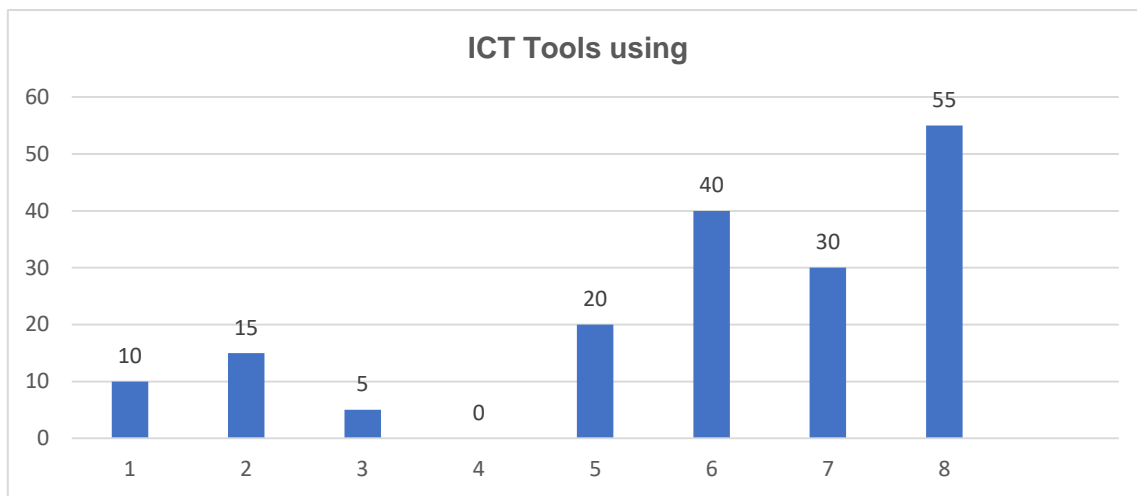
[Diagram 25](#). The most important reasons for intermodal transport development

The most important reasons are marked in the list. Other reasons were defined by Shippers as follows: inland terminals and logistics centres development with high level of services and more developed equipment (side loading of containers, special contrailer's platforms), improvement of access and infrastructure, freight consolidation, cost reduction for multimodal transportation, more information on intermodal shipment and Rail Baltica.

The final set of interview form's questions concerned the use of ICT tools to assist decision-makers in the fields related to transport.

1. Access to information of carriers reputation
2. Access to market information necessary for optimal delivery planning
3. Consolidation of shipments to reduce costs
4. Negotiating conditions of freight contract
5. Concluding freight contract
6. **Optimal loading of vehicle/container**
7. Monitoring transport conditions
8. **Track & trace of shipments**

The [Diagram 26](#) demonstrates the percentage of Shippers' positive responses to each question.



[Diagram 26. Percentage of Shippers positive responses](#)

The most used ICT tools are marked in the list above.

5 Conclusions

The results of the study showed that Logistics Services Providers were well informed about Rail Baltica and North Sea – Baltic projects, understood perspectives and opportunities for development of intermodal transport in Latvia in the framework of these transport corridors. All LSPs (based on the types of services provided) carried out in-depth motivated assessment of barriers for development of intermodal transport, specified the main trends for its development in Europe and Latvia from the point of view of new transport corridors, spread of new types of services, and defined the prerequisites for success and obstacles.

At the same time, the results of the survey showed that Shippers were not sufficiently familiar with the new transport corridors, they had poor understanding of the schemes and advantages of intermodal transport, opportunities of transferring goods from road to rail, and gave a high evaluation to the barriers for development of intermodal transport.

In our opinion, such activities as conferences, workshops, round tables according to the status of MLG (Multi-Level Governance) at the national, regional and local management levels should be planned to change the situation with Shippers in order to inform them about transport corridors and advantages of intermodal transport.

The study revealed that LSPs (except for Container Terminals) used ICT tools supporting logistics services at a high level, while Shippers insufficiently used this potential.

Latvia is a small country with a high transit potential, which can be realised by developing transport corridors, implementing large rail infrastructure projects, and creating a network of terminals and logistics centres with a high level of modern service and ICT systems.