



2009 Minerals Yearbook

LATVIA [ADVANCE RELEASE]

THE MINERAL INDUSTRY OF LATVIA

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Latvia had the Baltic States' only steel mill, JSC Liepajas Metalurģs. Other mineral commodity production was confined to industrial minerals used in construction, peat extraction, and the production of a small amount of natural gas.

Ports in Latvia handled about 62 million metric tons (Mt) of cargo in 2009, which was a 2.6% decrease compared with that of 2008. The volume of bulk cargo handled decreased by 3.9% to 29.1 Mt, including chemical cargo (which decreased by 35.1% to 3.1 Mt), although the volume of coal increased by 5% to 19.2 Mt. The volume of tanker cargo handled at the ports increased by 1.7% to 24.6 Mt, which included a 64.7% decrease in oil to 623,300 metric tons and a 9.7% increase in oil products to 22.9 Mt (Interfax Russia & CIS Statistics Weekly, 2010a).

Latvia had three large and seven small ports. In 2009, the Freeport of Riga handled the most cargo (29.7 Mt), which was a 0.6% increase, followed by the Free Port of Ventspils (26.6 Mt), which was a 6.8% decrease, and the Port of Liepaja (4.4 Mt), which was a 4.6% increase (Interfax Russia & CIS Statistics Weekly, 2010a). The Freeport of Riga handled such cargo as mineral fertilizers, petroleum products, and various metals. About 80% of the products handled were transshipped from or to the Commonwealth of Independent States (Freeport of Riga Authority, 2011). The Port of Liepaja handled among its mineral product cargo mainly metals and mineral fertilizers.

Ventspils Nafta Terminal LTD was the Baltic Sea region's leading oil and petroleum product transshipment terminal. Crude oil and petroleum products were received by pipeline and railways. The tank farm capacity of the enterprise exceeded 1 million cubic meters, which enabled the clients of the terminal to store products in case there was no immediate transshipment possibility owing to adverse conditions, such as weather, or in expectation of a better market price. The terminal also included among its services chemical analysis of oil and petroleum products in the company laboratory (Free Port of Ventspils Authority, 2010). In 2009, Ventspils handled 17.37 Mt of tanker cargo, which was a 2.8% decrease from the amount handled in 2008 and included 16.05 Mt of petroleum products. In 2009, Ventspils also handled 1.1 Mt of mineral fertilizers and 5.23 Mt of coal (Interfax Russia & CIS Statistics Weekly, 2010b).

Production

Latvia's gross domestic product (GDP) increased by more than 10% per year during 2006 and 2007, but in 2008 as the world economy went into a downturn, the country entered a severe recession, which was fueled by its large debt exposure and unsustainable current account deficit. Latvia's GDP decreased by nearly 18% in 2009 compared with that of 2008 (U.S. Central Intelligence Agency, 2010).

A large percentage of data on Latvia's production of mineral commodities was withheld by the country. As a result,

production data for a number of commodities in table 1 are estimated based on past reported production and general economic data.

Structure of the Mineral Industry

The Ports of Riga and Ventspils operated as freeports and the Port of Liepaja was part of the Liepaja Specialized Economic Zone. The country's steel mill, Liepajas Metalurģs, which was the country's main mineral industry enterprise, was a public joint-stock company (JSC Liepajas Metalurģs, 2009, p. 5).

Commodity Review

Metals

Iron and Steel.—In 2007, Liepajas Metalurģs started a modernization program for its production facilities. The main goal of modernization was to move away from the use of economically less profitable open hearth furnaces, which would be replaced in 2011 by electric arc furnace and ladle furnace technology. Steel production using the new technology was planned to commence in autumn 2011 and would enable Liepajas Metalurģs to increase its capacity by one-third to 850,000 metric tons per year (t/yr) from 550,000 t/yr of steel. On December 28, 2010, Liepajas Metalurģs, announced that it had closed the last of its three open hearth furnaces, which had been operating since 1965 (Steel Orbis, 2010).

References Cited

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TABLE 1
LATVIA: PRODUCTION OF MINERAL COMMODITIES¹

(Metric tons)

Commodity ²	2005	2006	2007	2008	2009
Cement:					
Clinker	NA	NA	NA	NA	NA
Other ^c	280,000	280,000	300,000 ^r	310,000	300,000
Crushed rock	586,607	137,023	937,030	507,591	500,000
Dolomite, crude (excluding calcined, crushed dolomite aggregate)	1,675,882	1,688,643	5,730,865 ^r	2,305,065	929,070
Gravel, pebbles, shingle and flint of a kind used for concrete aggregates; for road metalling or for railway and other ballast	2,817,287	3,824,965	5,759,249	6,011,735	5,192,952
Gypsum	220,000 ^e	230,000	230,000 ^{r, e}	230,000 ^e	230,000
Limestone	420,000 ^e	NA	NA	NA	NA
Peat	829,865	931,103	820,996	923,404	1,163,803
Sand, construction	3,012,000	1,936,000	3,601,000	2,153,000	1,314,535
Sand and gravel	3,242,199	2,132,779	4,284,684 ^r	2,222,504	2,292,848
Silica sand, industrial	18,300	12,600	13,000 ^e	12,000 ^e	12,000
Steel, crude ^c	550,000	550,000	550,000 ^r	550,000	550,000

^cEstimated; estimated data are rounded to no more than three significant digits. ^rRevised. NA Not available.

¹Table includes data available through January 11, 2011.

²In addition to the commodities listed, natural gas was also produced, but available information is insufficient to estimate production.