

# DIVERSIFYING FUNCTIONS OF VARTIUS/LYTTA BORDER CROSSING

Studys:  
Freight transport  
Container transport  
Routes of freight flows



Questions:  
Is there administrative or infrastructural hindrances?  
Is there need to improve circumstances and processes?  
What next, what is going on around Us?



# STUDY OF CURRENT SITUATION



## Restrictions

Restrictions on political and product safety basis



## Freight volume and traffic

Group of related logistics actors has been quite stable. Occasional border crossings are few, traffic is mostly regular basis by regular actors.



## Infrastructure

Vartius border crossing point development project, which started in 2019, is being completed. The project improved the capacity of rail transport and developed road transport conditions to meet current needs. The customs and border station building at the border crossing point was also renovated.



# WELL-FUNCTIONING PROCESSES WITH GOOD INFRASTRUCTURE

Customs' processes are well defined and smooth. Customs has consistently developed its operations and services for companies engaged in international trade. In Finland, the last customers moved to electronic customs processes in June 2021. The Russian customs is moving also to electronic services and will further improve and harmonize the process.

The capacity of the border station is correctly dimensioned when considering current traffic volumes and infrastructure, but the volume of population as well as the structure of trade and industry are more relevant as factors affecting the size of the activity.

Multiple previous reports related to the transport and traffic development VLBC and the surrounding areas

Vartius border crossing point has been actively studied and developed. Development has been reasonable and long-term improvements rational. The effect of Barents Link Forum and other former projects are clearly visible.



# TRANSPORT & ROUTE STUDIES

Using a container instead of a fixed bodywork for short distances and non-intermodal transports is rarely justified, especially in the Finland territory, with the advantage of vehicle dimensions of existing HCT combinations

- Companies choose their logistical solutions from their own financial and production-based criteria.

- Freight traffic is regular basis traffic
- Structural differences in vehicles due to differences in legislation have caused that in practice, cross-border road freight transport is almost entirely carried out by Russian companies.
- Road condition is not supporting route selection via Vartius



# CONCLUSIONS, TRENDS AND NOTICES



- Connectivity to other corridors is important.
- Rapid changes in politics and energy prices
- Game changer can be restrictions in use of nature resources, The use of natural resources and their value chains may be redefined even on a fast schedule by political decisions.
- World economy
- Covid-19 pandemy
- Political tensions
- Energy price
- Trending industries like battery value chain and circular economy
- Ecosystems in logistics are making breakthrough
- Digitalization in customs traditional processes

Forecasting is uncertain, circumstances are exceptional and world is changing fast.

# SUGGESTIONS

- 1. FROM THE VIEWPOINT OF DEVELOPING AND INCREASING ACTIVITIES IN VLBC, GOOD CONTACTS WITH THE BUSINESS COMMUNITY AND A RAPID RESPONSE TO THEIR NEEDS IN THE QUICKLY CHANGING BUSINESS ENVIRONMENT ARE IMPORTANT.**
- 2. CONNECTIVITY TO INTERNATIONAL TRAFFIC CORRIDORS VIA VARTIUS IS FACING A CHALLENGE BECAUSE OF DISTANCE TO EXISTING CONNECTION POINTS OF CORRIDORS. ALTERNATIVE NORTH-SOUTH DIRECTION ROUTES AND THEIR DISTANCE TO INTERMODAL SHIFTING- AND CONNECTION POINTS IS NOT SUPPORTING USE OF VARTIUS HORIZONTAL CONNECTION.**
- 3. AS A MEASURE, IT WOULD BE NECESSARY TO INFORM LOGISTICS OPERATORS ABOUT VARTIUS' POSSIBILITIES AND TO MARKET VARTIUS AS AN ALTERNATIVE ROUTE WHEN THE MAIN ROUTES ARE CONGESTED, OR WHEN MALFUNCTIONS INTERFERE PROCESSES ON THE MAIN LOGISTICS CORRIDORS.**
- 4. CROSS-BORDER ROAD TRAFFIC IS MAINLY OPERATED BY RUSSIAN CARRIERS, SO THE TARGET FOR MARKETING AND INFORMATION SHOULD BE RUSSIAN ROAD CARRIERS AND RAIL FREIGHT BROKER OPERATORS WHO ARE OFFERING RAILWAY CHARTER SERVICES. CHINESE AND OTHER GLOBAL OPERATORS ARE ALREADY OFFERING CHARTER TRAINS TO COMPANIES WITH LARGE FREIGHT VOLUMES.**
- 5. INFRASTRUCTURE AND ADMINISTRATIVE FUNCTIONS IN VARTIUS ARE ON THE LEVEL THAT MAKES POSSIBLE TO DEVELOP CHARTER- AND FEEDER TRAFFIC. LACK OF FREE CAPACITY IN RAIL IS A LIMITING FACTOR IN QUANTUM OF POSSIBLE NEW TRAFFIC.**
- 6. THE MOST IMPORTANT TASK IS TO FIND INTERNATIONAL COMMERCIAL OPERATOR WHO IS COMMITTED TO EXPLOITING NORTHERN HORIZONTAL LINK.**