

INTERNATIONAL LOGISTICS DAY

2012

With the support of:



Future for Logistics



12.11.2012

Study: Future for Logistics

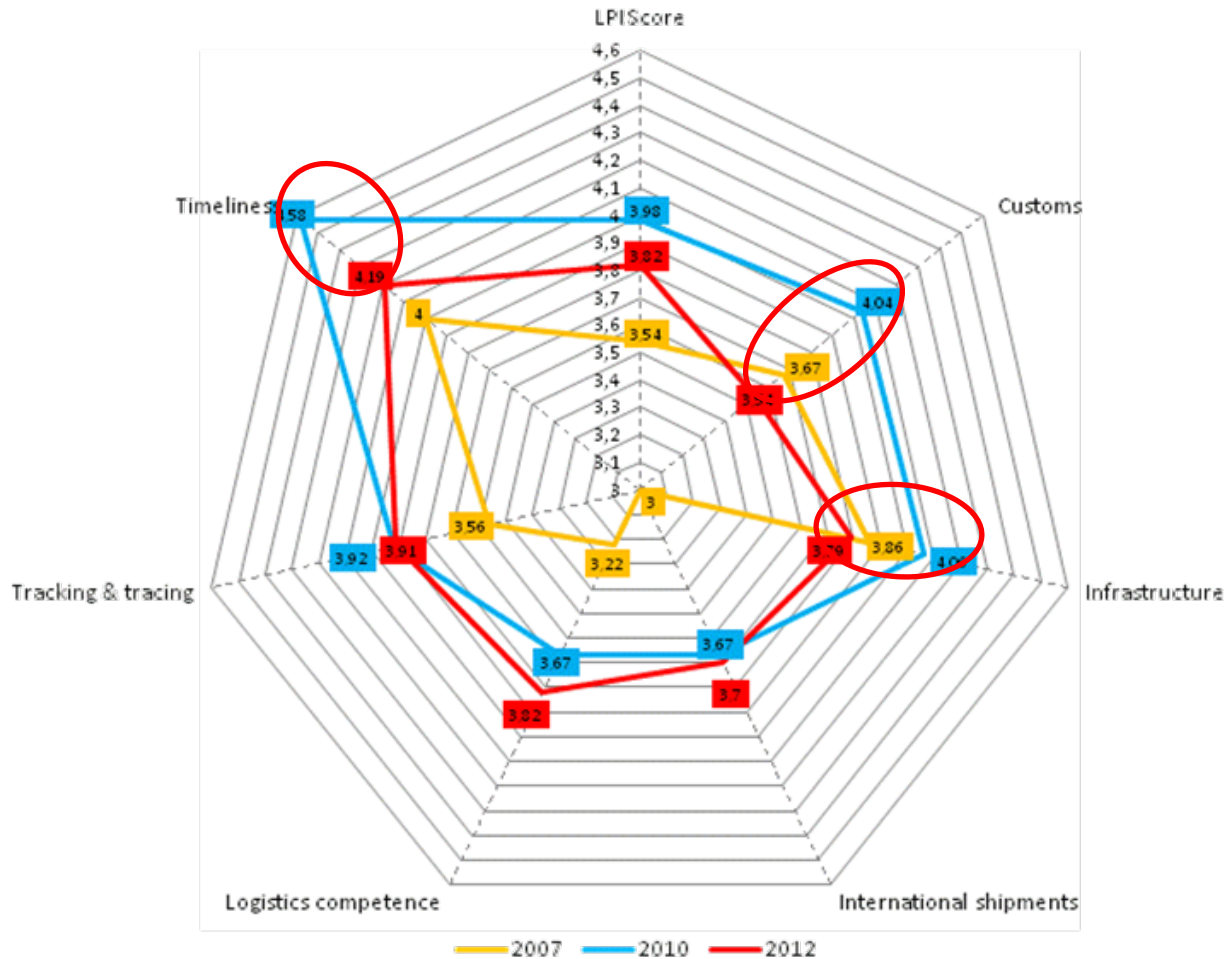


Study: Future for Logistics

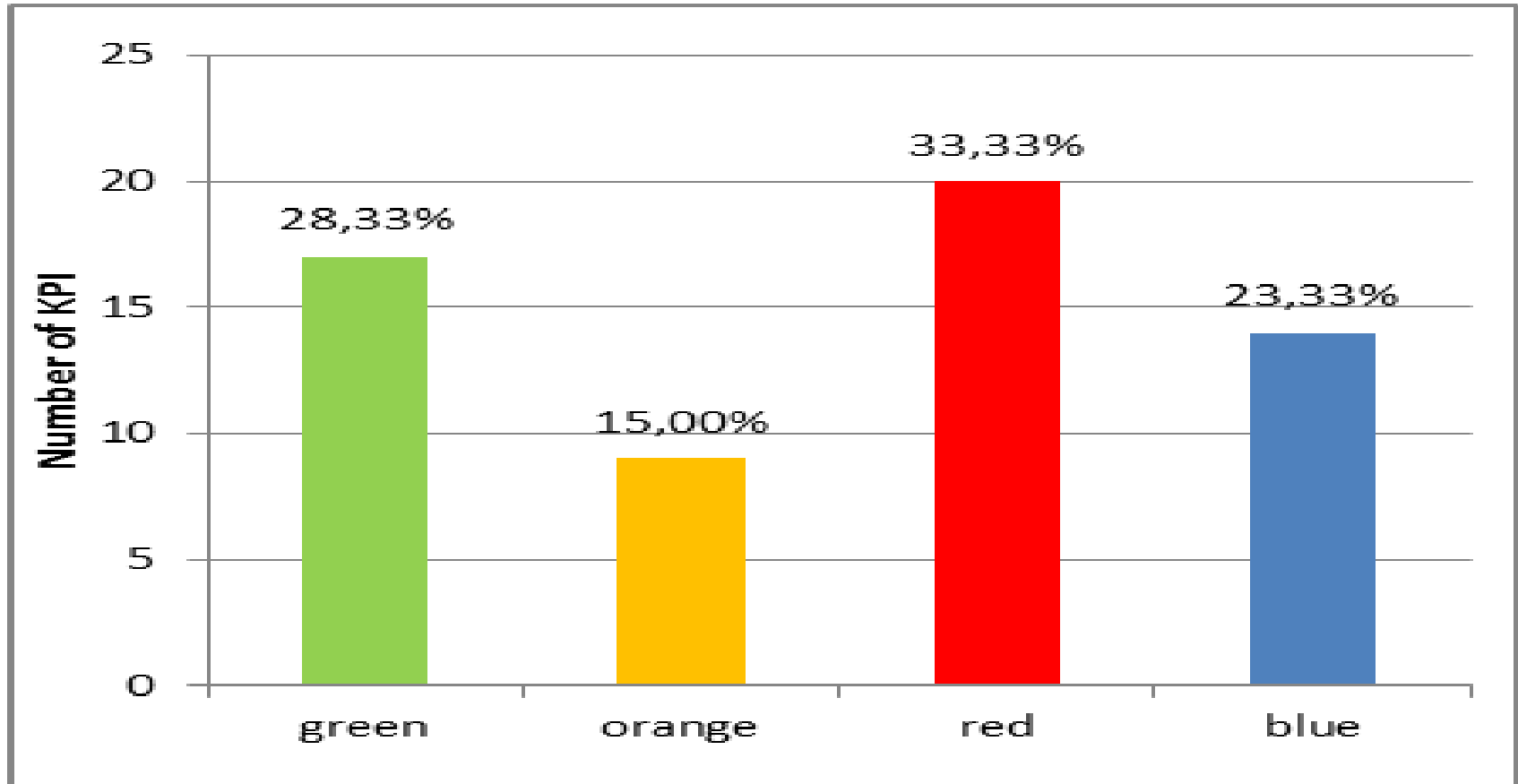


❖ Diagnostic of the Luxembourg logistics sector

World Bank Logistics performance indicator



TUDOR – regional indicator (LU, BE, DE, FR, NL)



❖ Markets and products

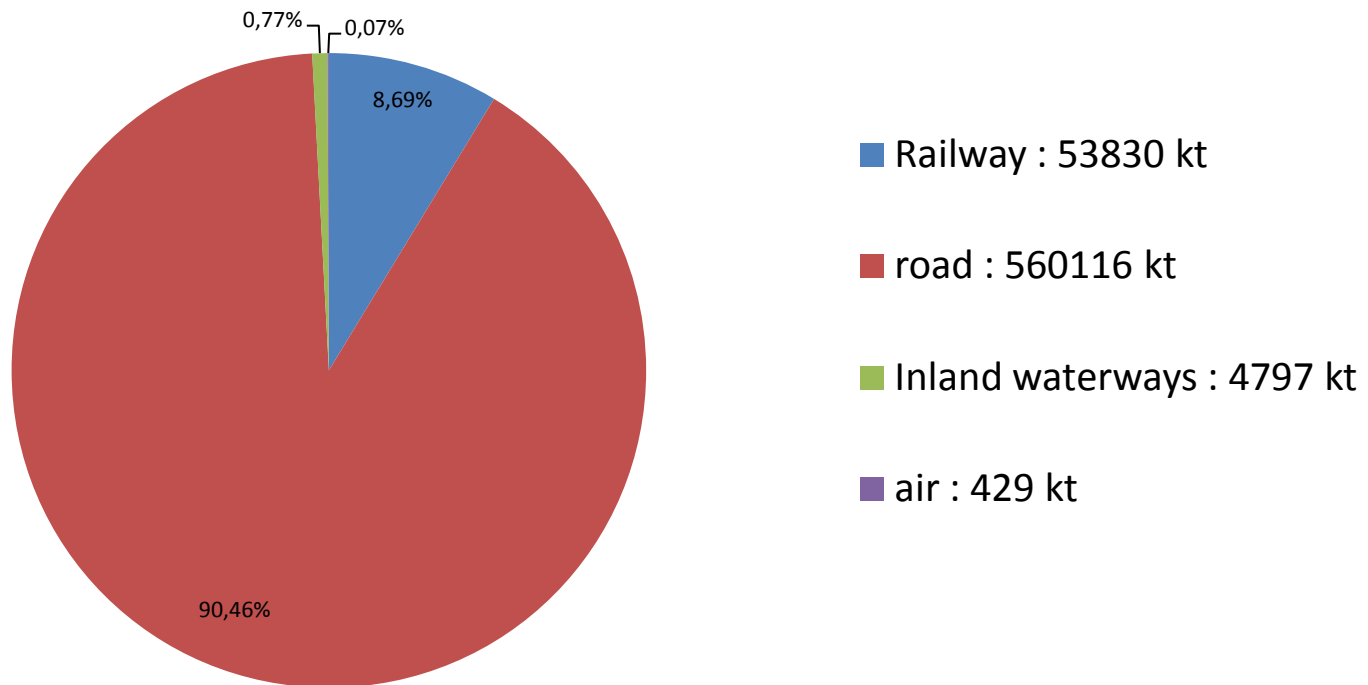
Positioning of EUROHUB

Luxembourg's strategy in logistics aims to develop the current platforms into a common hub concept; EUROHUB Luxembourg as:

- **Gateway from/to and through Europe**
- **Cross-dock hub for European land transport**
- **European and regional distribution centre**
- **Logistics centre for value added services**

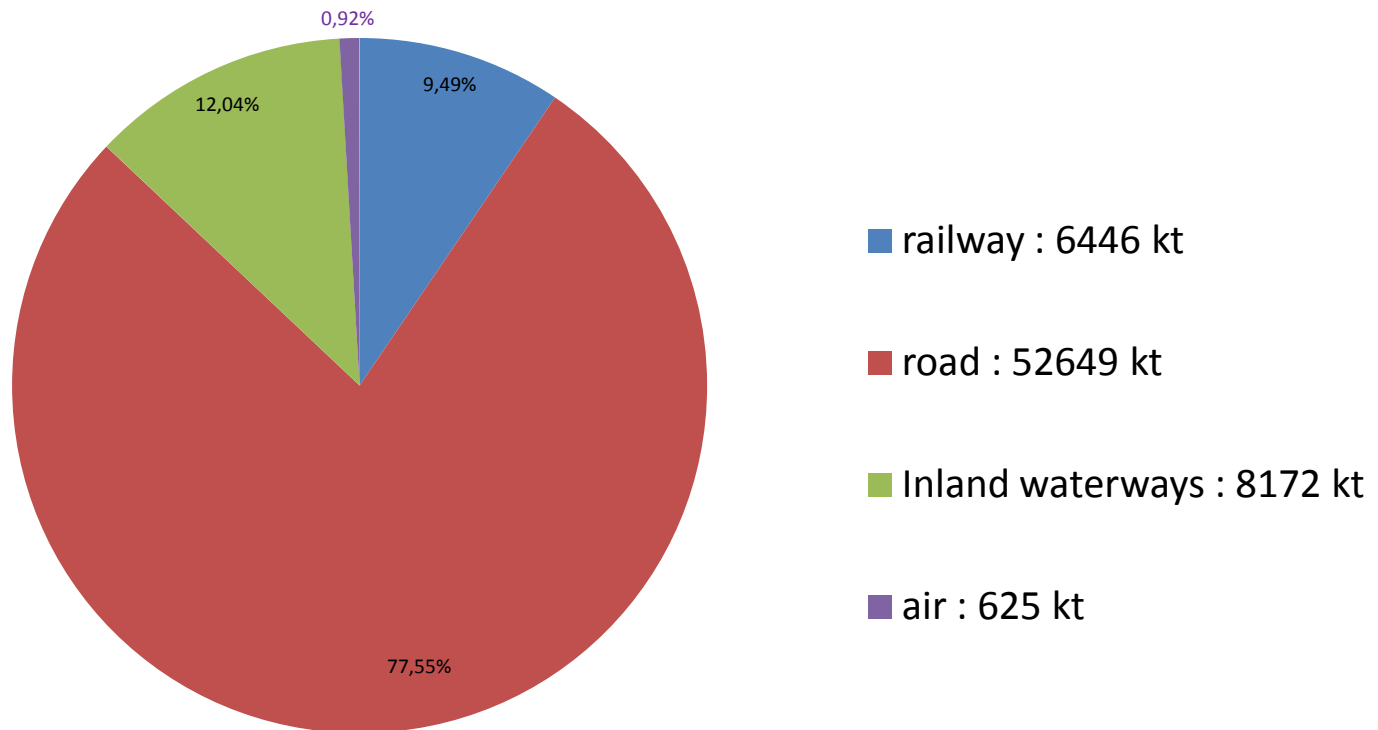
Dynamic of transportation modes

Country average (EU 27) distribution without sea mode

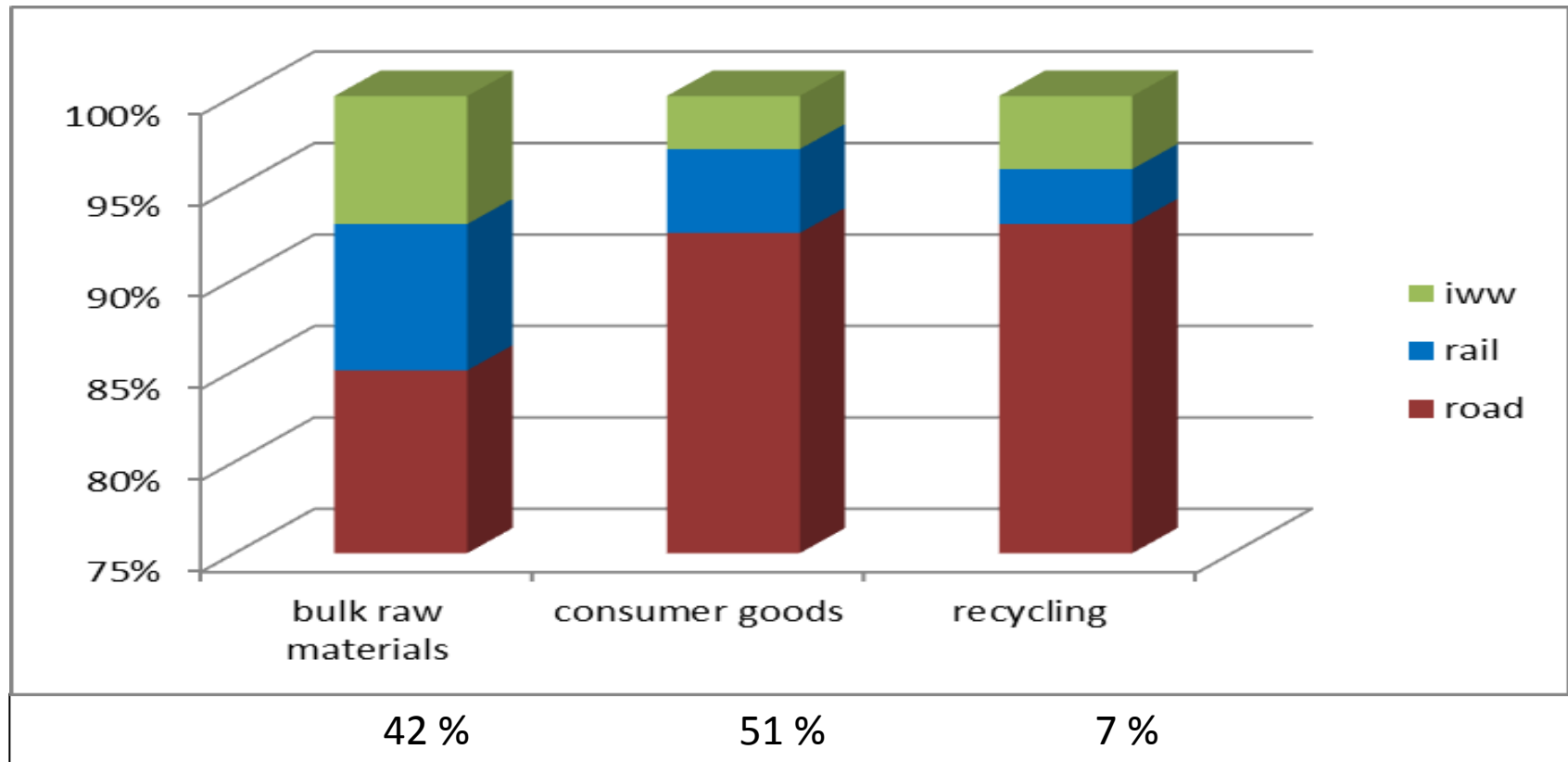


Dynamic of transportation modes

Luxembourg distribution



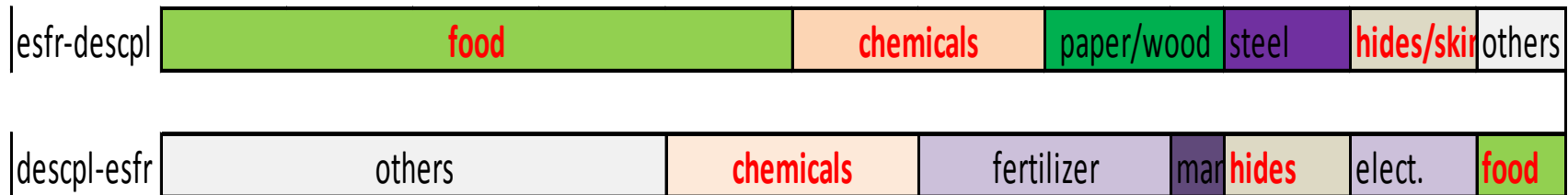
Potential products for future developments (Europe 27)



Potential markets for Luxembourg

- Corridor 1 France and Spain <-> Germany, Scandinavia and Pologne

Feature products:



Expansion products:



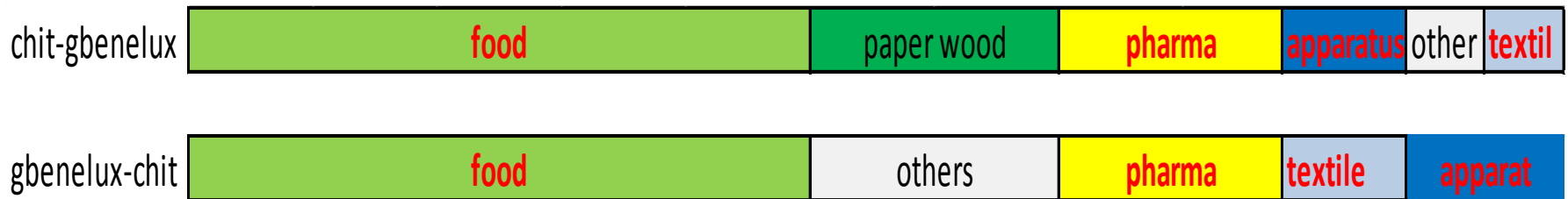
Potential markets for Luxembourg

- Corridor 2 from Belgium, Netherlands and England to Switzerland and Italy

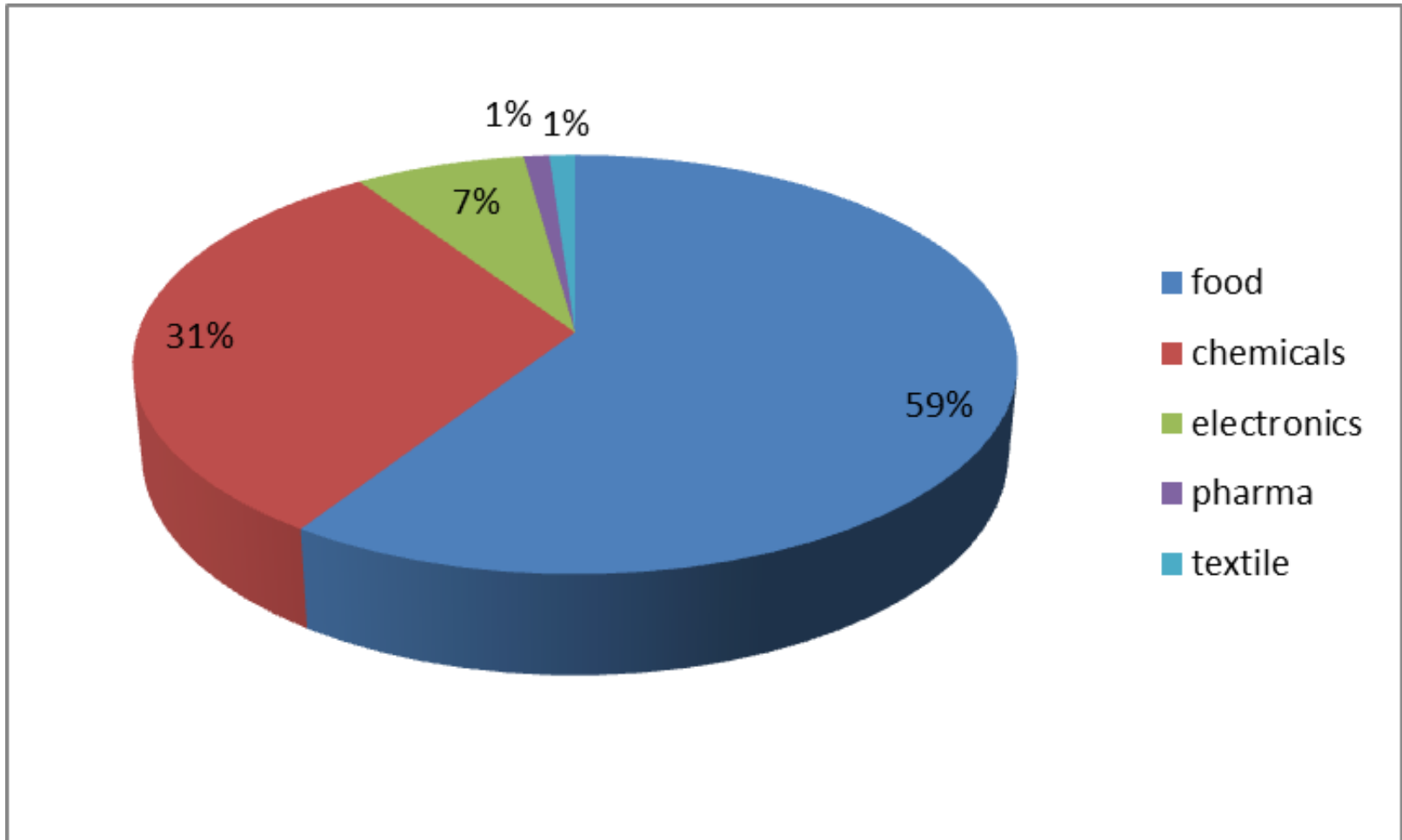
Feature products:



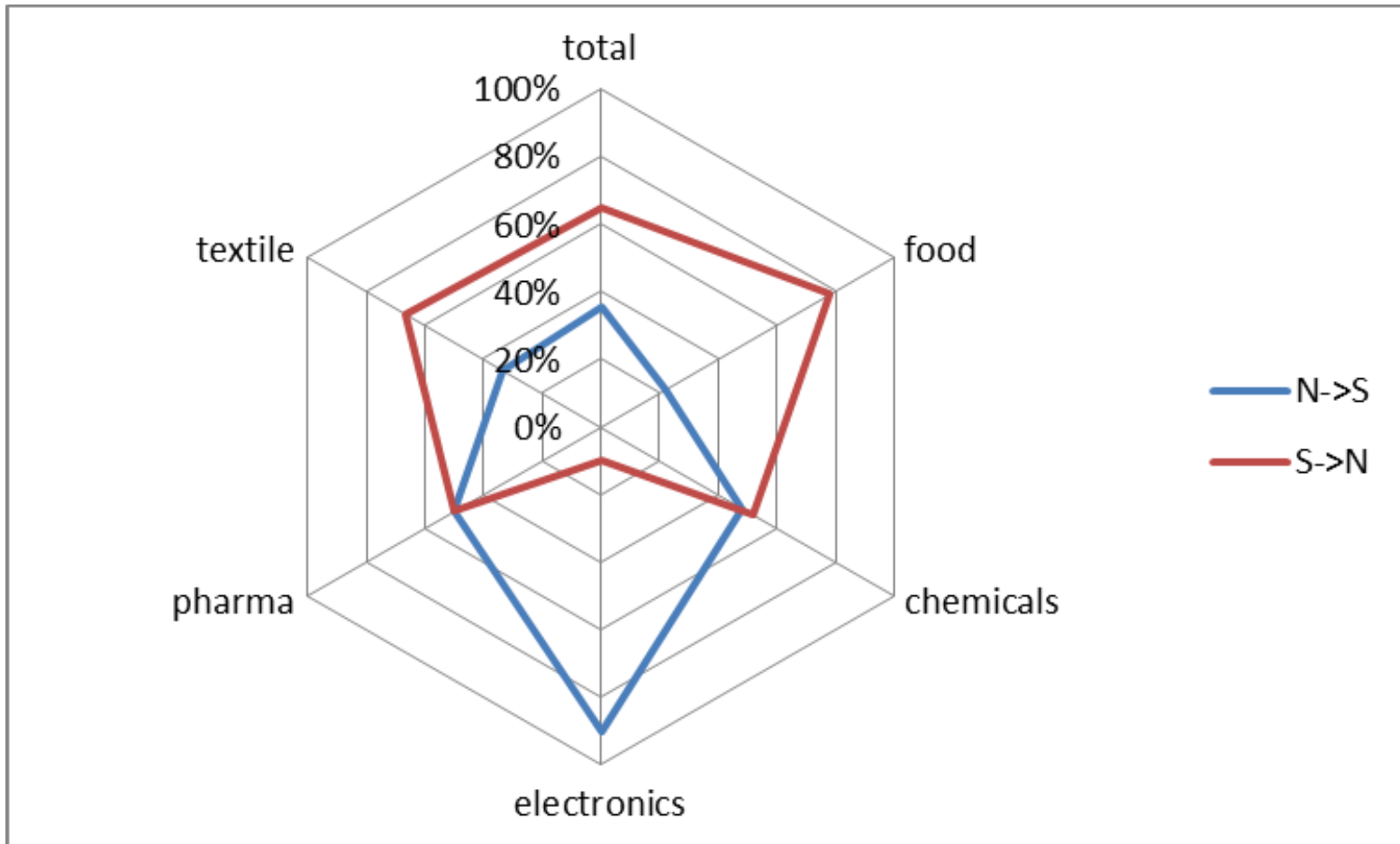
Expansion products:



Consumer goods with value added logistics services



Consumer goods for future developments



❖ EUROHUB : Luxembourg's international logistics hub

Goods for future developments

Recommendations:

➤ Focus the development on products transiting through Luxembourg:

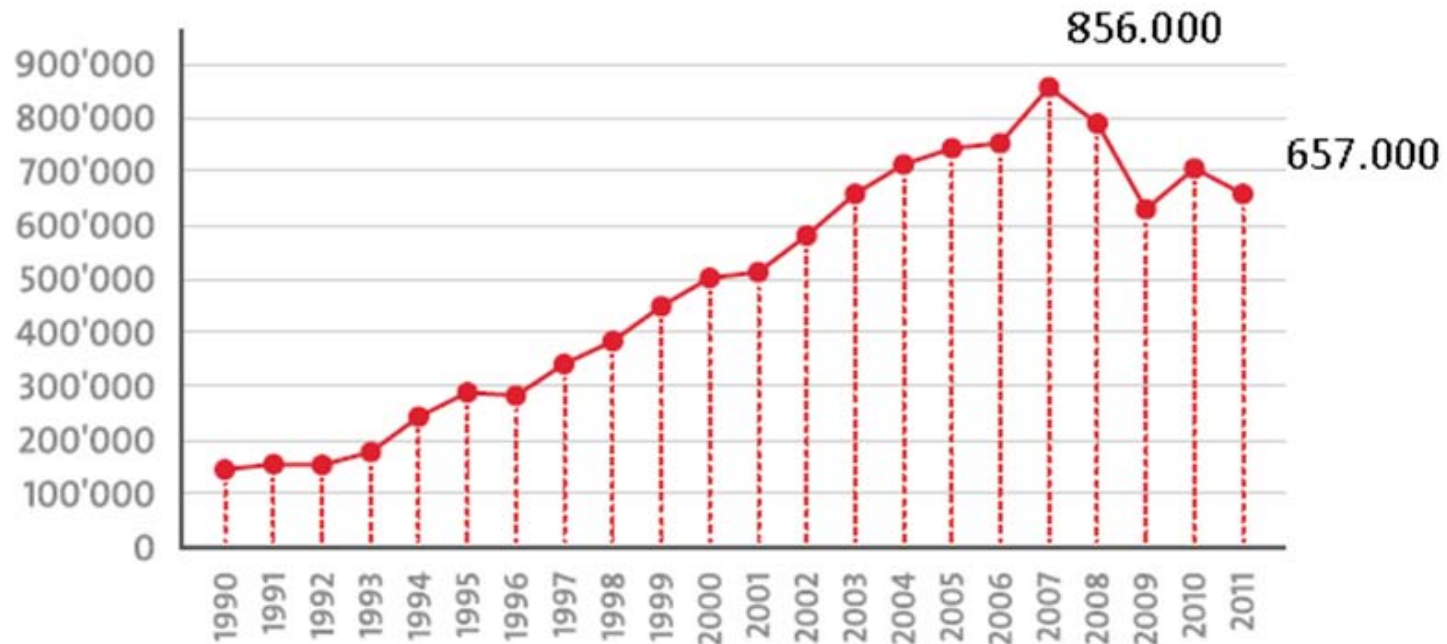
- a. focus on container traffics
- b. focus on part loads
- c. focus on loads changing their corridor
- e. offer value added logistics services

Goods for future developments

Recommendations:

- Develop EUROHUB on a national level as a neutral platform for the cargo community to improve their global competitiveness
- Develop EUROHUB in a global regional concept with other logistics platforms and projects
- Develop EUROHUB as the international reference as efficient, safe and sustainable logistics hub and therefore define strategies for each logistic platform.

A national airport strategy

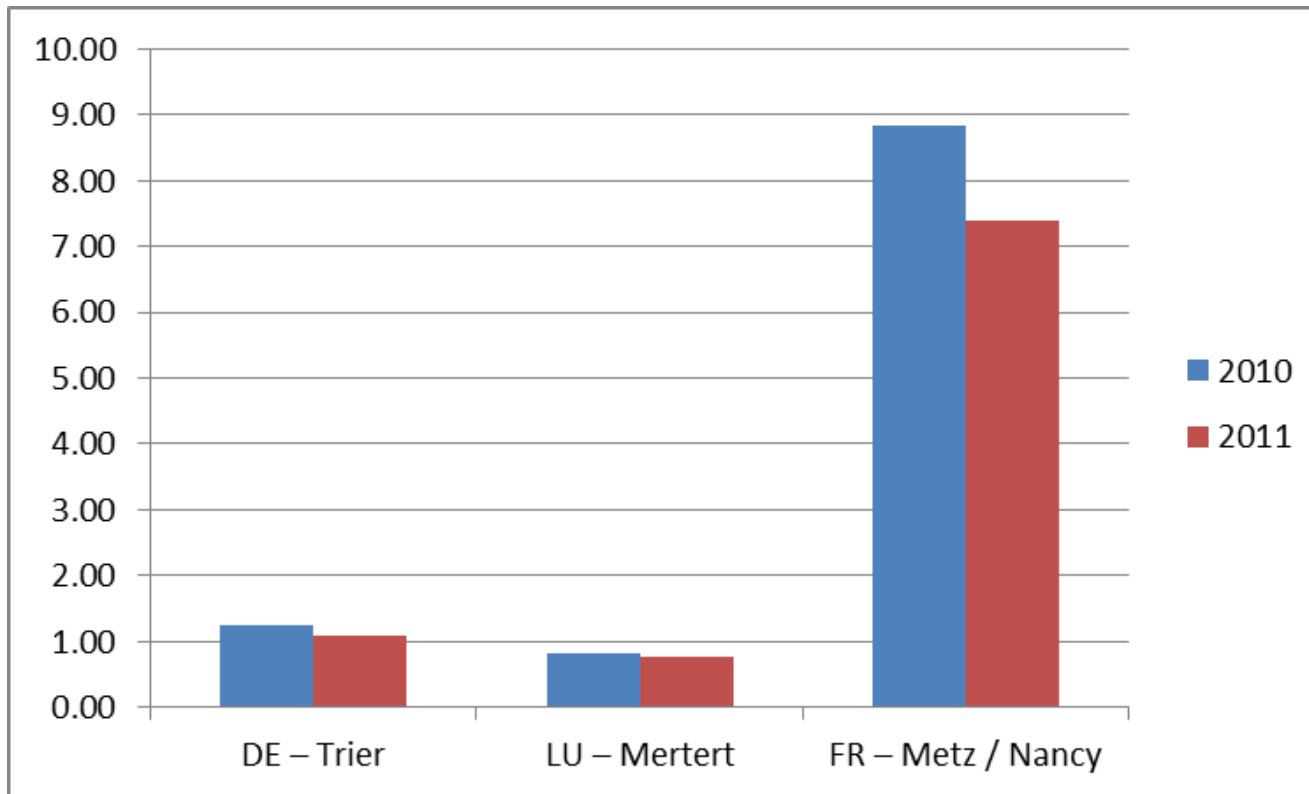


A national airport strategy

Recommendations:

- Set up a one-stop-shop for good clearance based on a Single Windows for Logistics and so guarantee effective and fast clearance and full 24/7 service.
- Fine-tune the application of current night curfew rules to make them more flexible within a long term commitment.
- Implement a competitive long term landing fees scheme based on the newly introduced scheme to support the development of traffic of existing carriers and attract new operators.

A national inland port strategy



A national airport strategy

Recommendations:

- Develop Mertert as a bulk port, specialized on raw material for the regional construction sector
- Develop Mertert as a regional recycling collection station.
- Position Mertert and Bettembourg as part of the “Extended Gates” strategies of Antwerp / Zeebrugge and Rotterdam aiming to shift a maximum of containers in the Hinterland of the sea ports

A national rail-road strategy



A national airport strategy

Recommendations:

- Develop the rail-road terminal of Bettembourg/Dudelange inside a pan-European network in cooperation with European seaports and rail-road terminals .
- Offer full door-to-door services packages for national and international carriers and forwarders.
- Incentivise multimodal technological pilot projects and the launching of new European new rail-road lines.

A regional green distribution strategy



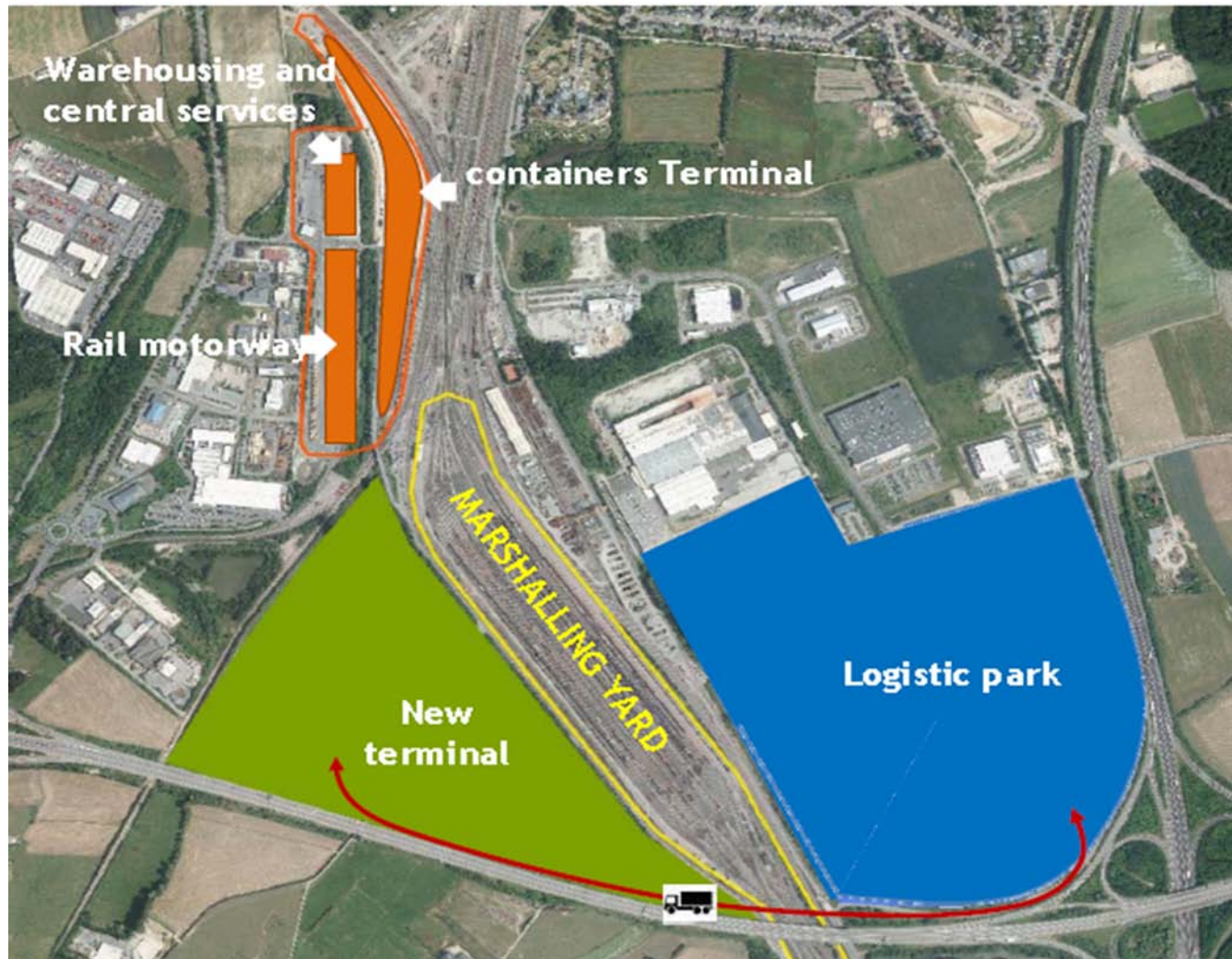
A regional green distribution strategy

Recommendations:

- Reduce the number of truck trips to city centres and make use of less polluting vehicles.

- Use the Bettembourg/Dudelange platform as national neutral platform as :
 - City delivery consolidation hub
 - Regional distribution centre

Logistics park WSA :



Logistics park WSA :

Recommendations:

- Specific infrastructure must be built after the selection of the targeted products to offer value added logistics services for temperature controlled goods, hazardous goods and standard commodities
- Warehouses with small surfaces for short term projects or the start-up of long term projects must be available for the logistics operators
- Develop EUROHUB as an international and European freight management centre to attract more international forwarders to Luxembourg

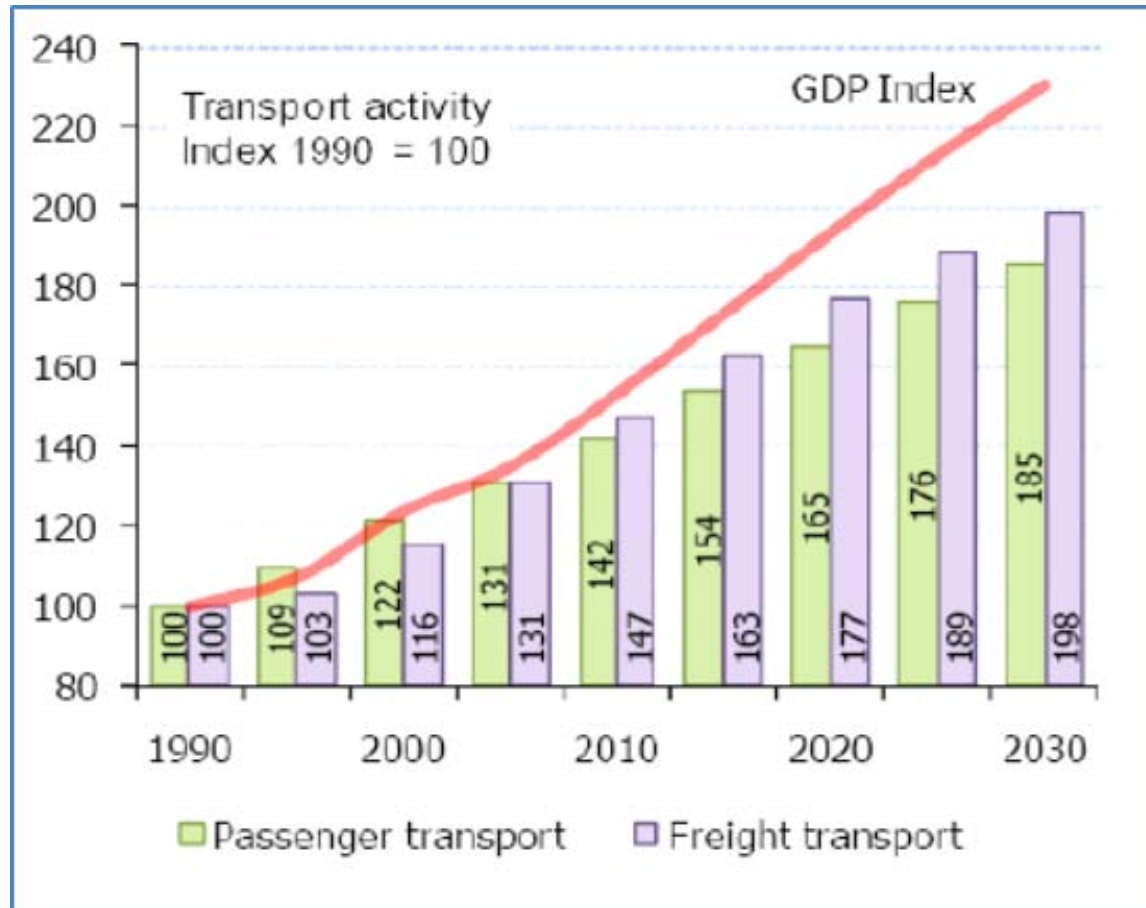
❖ The options to strengthen Luxembourg's EUROHUB

The options to strengthen Luxembourg's international logistics hub



Logistics infrastructure

Projection Europe 2030



Recommendations:

- Coordinate and optimize road works to avoid congestion and minimize economic and environmental damages. Road works on motorways must be performed at night-time or on weekends.
- Use the emergency lane on motorways as additional lane during peak hours, including an area-wide overtaking ban for trucks and a speed reduction on all lanes.
- In the long term, Luxembourg should develop a common infrastructure policy with our neighbour countries to enlarge the motorways to six lanes but not only on the Luxembourg part but also to Arlon, Thionville and Trier and Saarbrücken.

Security, safety and quality policy



Security, safety and quality policy

Recommendations:

- Define automatism in goods clearance processes for AEO to develop Findel as a 100 % AEO platform.
- Upgrade common quality certifications on all platforms in order to allow secured cooperation between the platforms
- Support specific certifications in niche activities such as chemicals, food and pharmaceuticals...

Single Window for Logistics

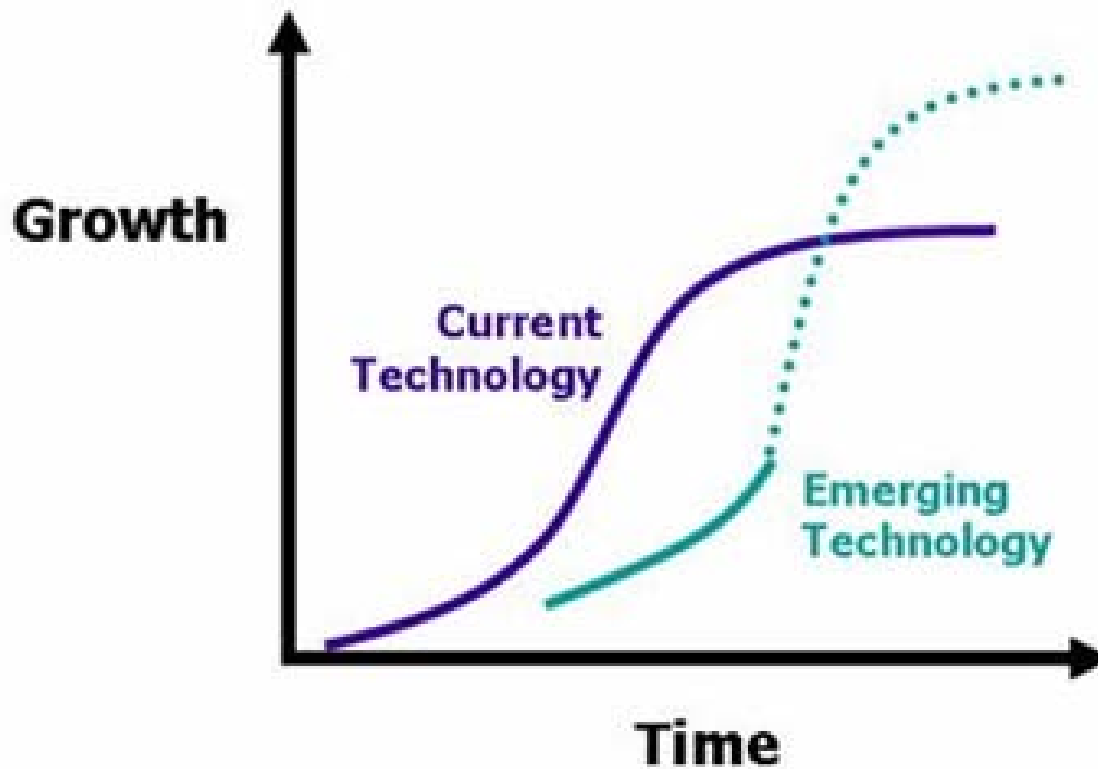


Single Window for Logistics

Recommendations:

- Implement a single window IT solution to facilitate trade by providing cheaper, easier and faster goods clearance processes between economic operators and governmental authorities. Incorporate the SWL project in the global context of the “guichet-unique”, part of the e-Government project.
- Reduce the cost of trade documentation by sending the data for automated processing to the various authorities in a 100 % paper less environment.
- Extend the single window solution to the cargo community network allowing all logistics operators to share data related to common logistics services.

Innovation and research



Recommendations:

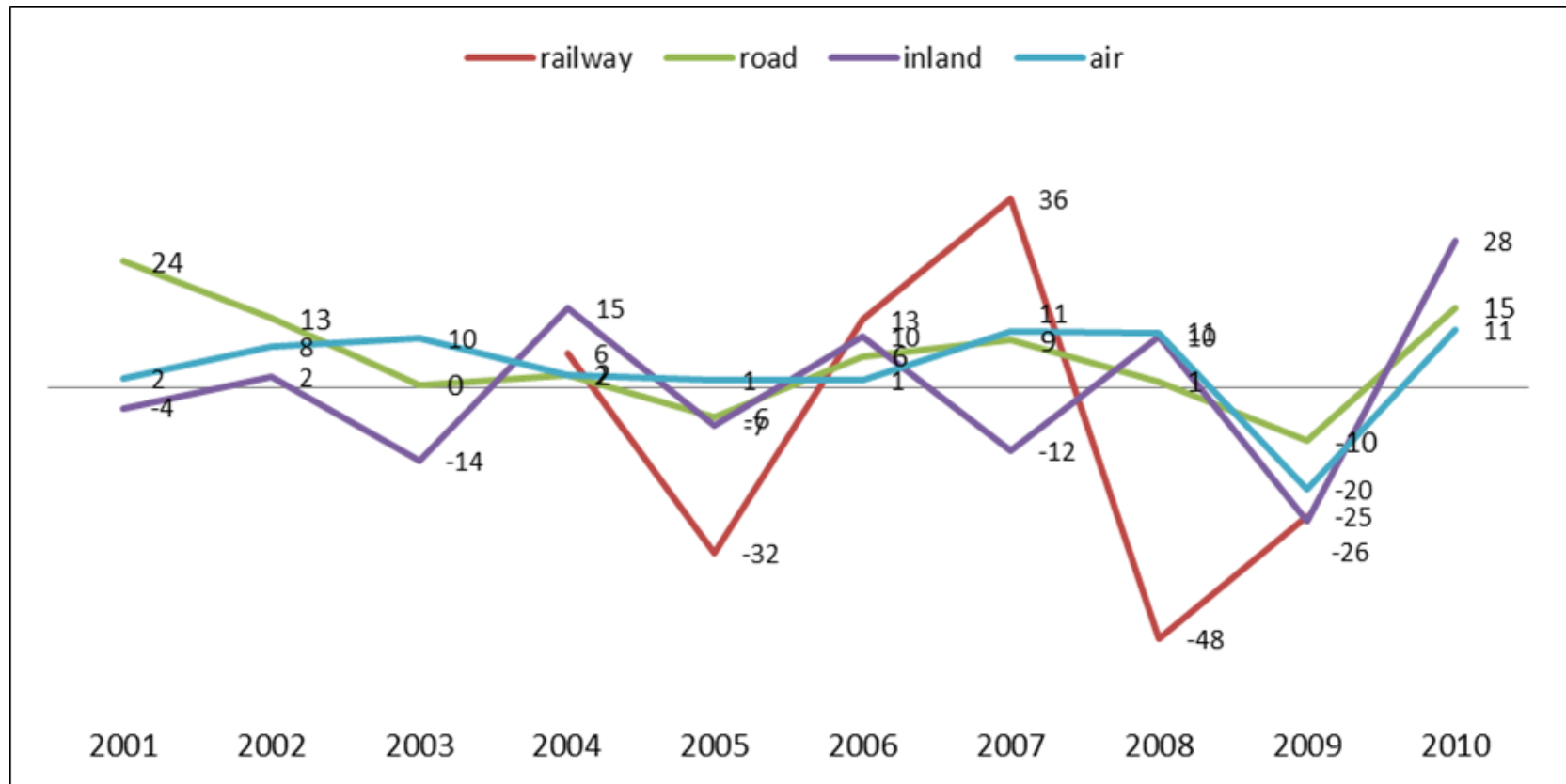
- Build up a common IT clearing centre for shipments by:
 - Supporting a common procurement platform allowing to convert customer orders into transport missions in a common format
 - Providing track-and- trace information to the customers by converting the common data format in the format of the customers
 - Storing transport documents to be shared between operators and their customers thus allowing a paperless invoicing
 - Clearing invoicing between customers and logistics operators and logistics operators between themselves

Innovation and research

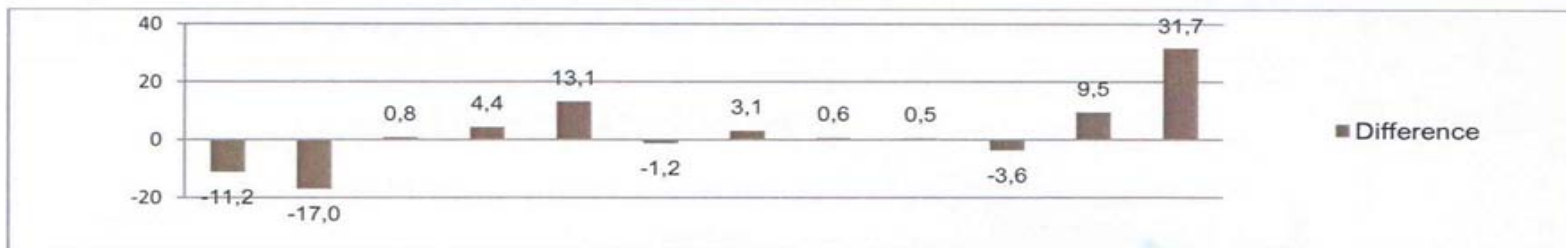
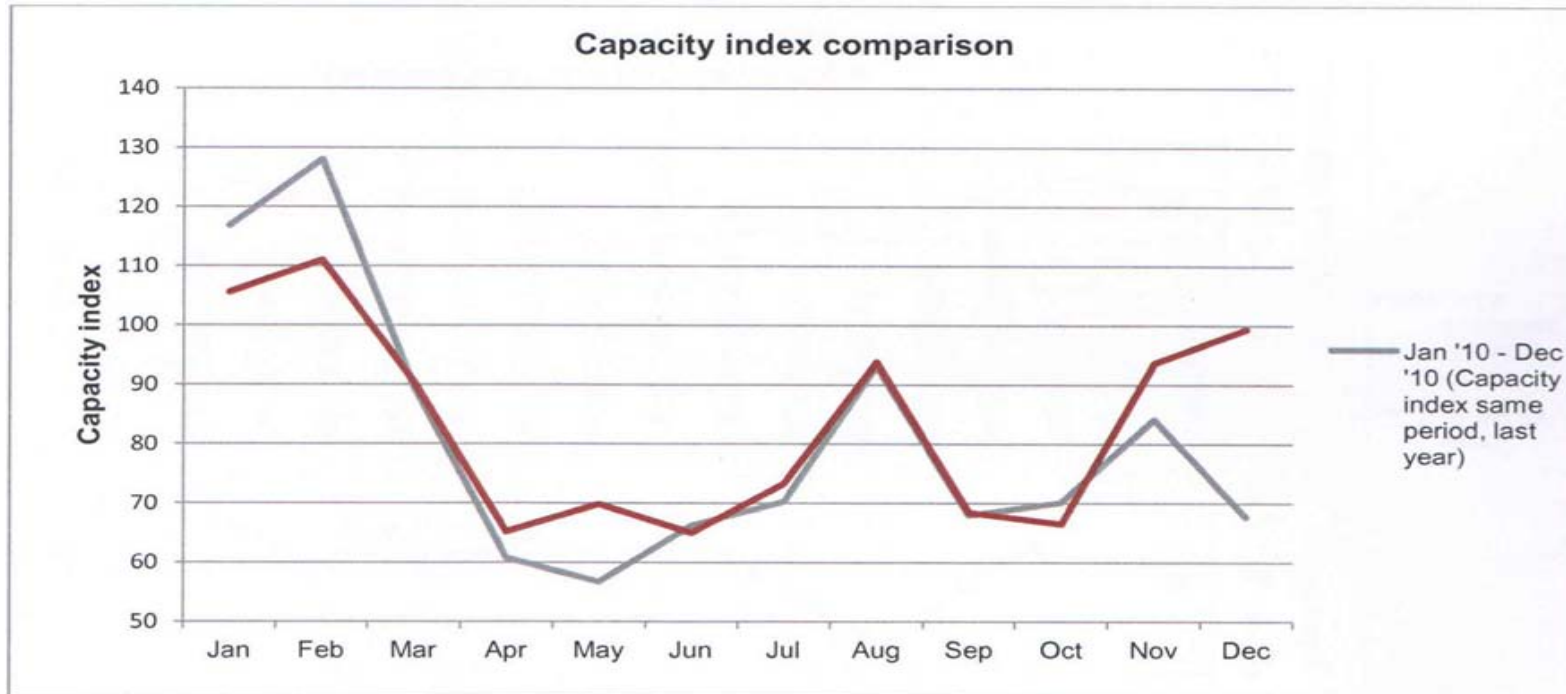
Recommendations:

- Upgrade CITA to an Intelligent Transportation Systems (ITS) to save time and money by reducing congestion, improve safety and minimise vehicle fuel consumption and emissions.
- In order to avoid this peak-oil scenario, the development of existing alternative propulsion technologies should be encouraged and supported with incentives form governmental authorities.

Productivity of workforce



Productivity of workforce



Productivity of workforce

Recommendations:

1. Increase the flexibility of work time to take into consideration the high volatility of activity in transport and logistics.
2. Install a general regime of 6 month work time account (“période de reference”) for logistics activities.
3. Exempt the logistics sector from the obligation of a “Plan d’organisation du travail”

Training and education



Training and education

Recommendations:

- Develop specific programs for the integration of the unemployed persons in logistics especially for low level educated people.
- Promote the dual education system allowing student to have first professional experiences during their studies of logistics.
 - Implement a “technicien” level education for operational and operational linked staff.
 - Implement a “BTS” level education for middle management staff.
 - Search for regional cooperation to benefit from existing competences
- Develop specific training for white collar jobs in the middle part of the education pyramid.

Legal and regulatory framework



Legal and regulatory framework

Recommendations:

- Develop a short term and long term strategy to reduce the impact of the European rules related to mobile non Luxembourg resident workers, drivers and administrative staff, to avoid the loss of jobs in road transports by 2020.
- Streamline the governmental administration processes involved in the regulatory framework of permit approvals.
- Create a centre of competence for customs clearance in Luxembourg, allowing to clear goods in Luxembourg even if the goods are not physically in Luxembourg.

Environmental protection



Environmental protection

Recommendations:

- Create a national label for green logistics, based on international criteria, allowing companies to benefit from incentives and continue investments in environmental friendly technologies and processes.
- Support by incentives the upgrade of logistics technologies to an environmental friendly level and help financially the operators during the launching of new green programs. Develop Luxembourg transportation and logistics sector to become the green leader in Europe.

❖ The implementation of future actions

The implementation of future actions

Common marketing strategy

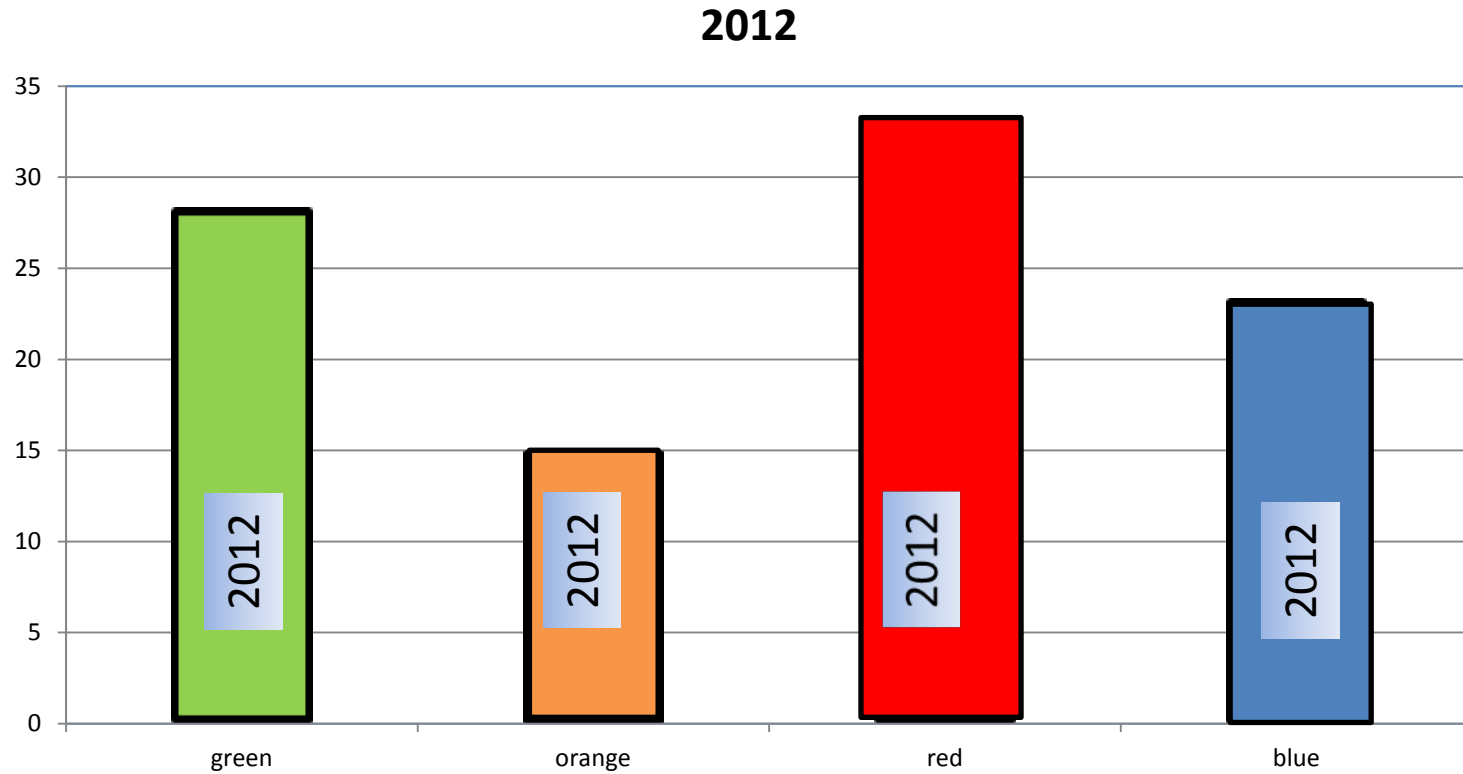
- Promote Luxembourg as logistics hub on all levels, public and private, national and international organization of forwarders and industrials.
- Develop the global brand awareness of Luxembourg as logistics hub to put Luxembourg on the shortlist of supply chain managers when it comes to reengineer logistics solutions.
- Organise direct meetings outside Luxembourg with national and regional forwarding agencies, handling agents, global sale agencies.

The implementation of future actions

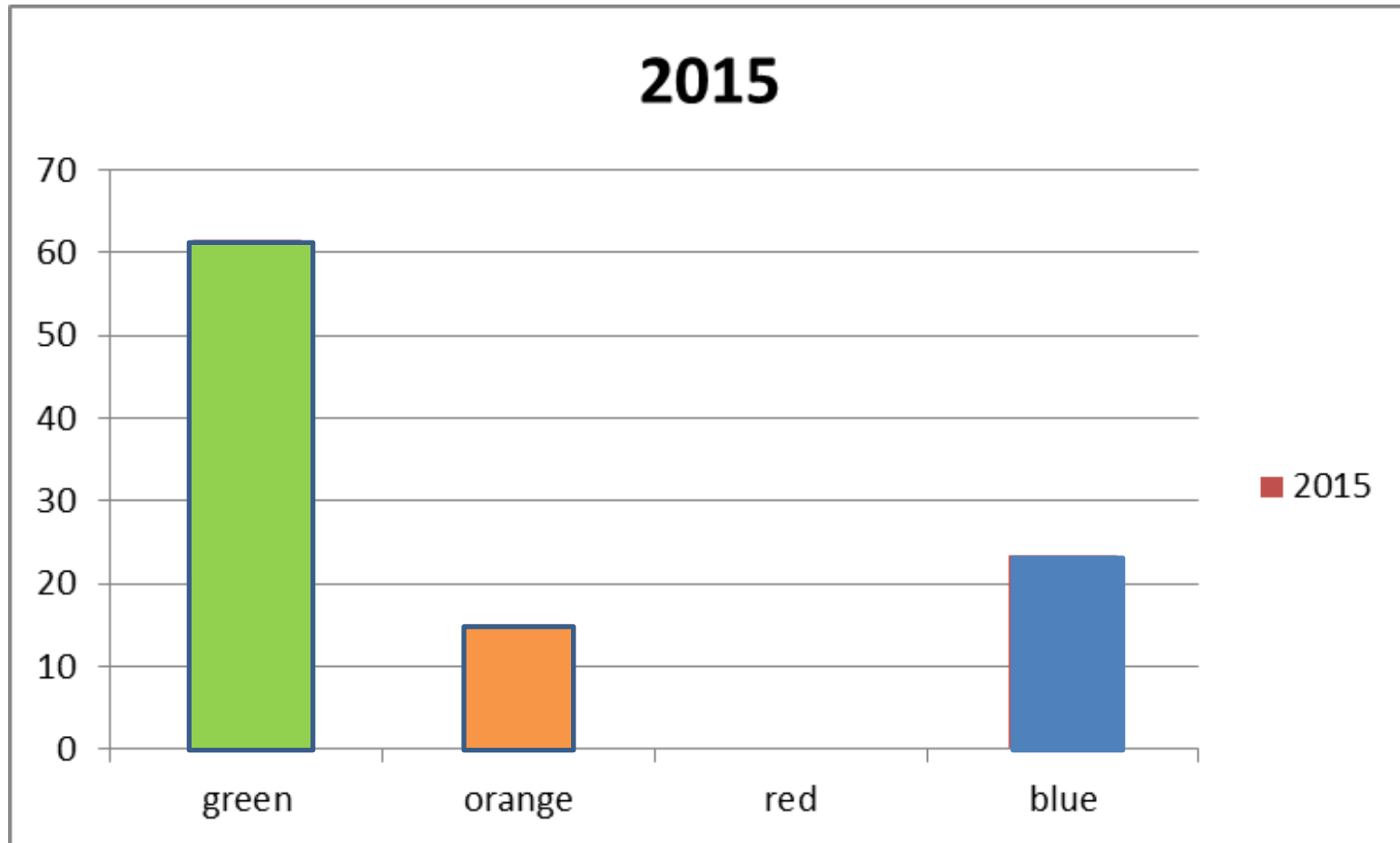
Coordination with the Government

- Create a private-public-partnership fixing priorities and coordinating all efforts and activities during the implementation and further development of the EUROHUB project, in order to address all these challenges to upgrade Luxembourg to a state-of-the-art logistic hub.
- All the initiatives targeting to develop logistics in Luxembourg, will require more coordination between all the involved ministries. An inter-ministerial commission should be established and a commissioner should be appointed to lead this commission.

The starting point 2012:



The target:



Together we will succeed