LUXEMBOURG'S ALLIANCE FOR LOGISTICS

"Location, location, location" is how the wise old man responds to the novice's question about how to succeed in retail. The same applies to logistics, and Luxembourg is fortunate in its central location in western Europe. The Grand Duchy is situated within 350 km of the sea and air freight traffic of Antwerp, Brussels, Frankfurt, Paris and Rotterdam, and centred in a network of freight corridors that run from the Baltic and North Seas to the Mediterranean and the Adriatic. These advantages support the Cluster for Logistics in promoting Luxembourg as an international logistics hub.

The Cluster for Logistics was formed in 2009 in response to the Luxembourg government's decision to make logistics a key sector for economic development. The Cluster's Board is chaired by Pierre Gramegna, Director General of the Chamber of Commerce, and includes members representing CRP Henri Tudor, Fedil – Business Federation Luxembourg, the Luxembourg Trade Confederation, Luxinnovation, the Maritime Cluster and the University of Luxembourg.

A dynamic cluster

"The goal of the Cluster is to support and enhance the competitive advantages of Luxembourg as a logistics hub," Mr Gramegna explains. "We serve as a platform where members can pool knowledge and support the development of new products and services." He adds that the Cluster conducts lobbying activities to help improve Luxembourg's legislative and regulatory framework for logistics, and works with the government to promote the Grand Duchy's logistics capabilities.

The members of the Cluster, more than 100 in 2013, represent logistics companies and industrial actors who are main users of logistics, as well as financial institutions, consultancies and service providers. Together, they cover the full range of logistics modalities – sea, air, water, rail and road. The presence of educational and research institutions and public bodies such as the Chamber of Commerce and the University underlines the private-public partnership backing the Cluster.

Delivering expertise

Members are encouraged to participate in one of the Cluster's working groups. The E-Cargo group focuses on the implementation of a paperless system to make shipping more efficient in a "Single Window for Logistics". The Education group works with human resources



Pierre Gramegna, Director General, Luxembourg Chamber of Commerce

managers and the Luxembourg Ministry of National Education and Vocational Training to develop training for logistics technicians at the secondary school level. The first courses are expected to be offered in 2014.

The Green Logistics group centres on the development of a strategy that includes the use of alternative energy, the re-engineering of supply chains, the use of multimodal transport and urban logistics.

Reflecting the growing importance of information technology in the logistics sector, the Logistics IT group is collaborating with the Luxembourg ICT Cluster, which is managed by Luxinnovation. Meanwhile, the Marketing group is working with the Ministry of the Economy and Foreign Trade and Luxembourg for Business to develop a communications strategy and ensure that Luxembourg is represented at local and international trade events.

The way ahead

The Cluster for Logistics also contributes to the crafting of a national strategy for the development of logistics. The strategy highlights the potential of the Port of Mertert and Bettembourg freight terminal as parts of the "Extended Gates" of Antwerp, Zeebrugge and Rotterdam, recommends developing the airport as a specialist in logistics niche activities for pharmaceuticals, valuable goods and perishables, and highlights opportunities for Bettembourg within a pan-European rail/road network.

Greater sustainability is another priority. The Cluster advocates the development of a regional green distribution network to reduce the numbers of trucks delivering goods to city centres. "A national label for green logistics would allow companies to benefit from incentives and continue investments in ecofriendly technologies and processes," proposes Cluster Manager Alain Krecké.

A detailed roadmap

In view of national elections held in October 2013, the Cluster's Board issued a report that put forward its position on what is needed to realise the country's full potential in the area of logistics. It identified priorities that include widening the main highways, implementing the "Single Window for Logistics", adopting flexible "night curfew" rules for aircraft, improving rail freight handling and providing vocational training for logistics. The implementation of these recommendations will increase the competitiveness of Luxembourg as an international logistics hub and produce tangible results in terms of bringing new business to Luxembourg and generating employment.

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