

# Report District Logistics Analysis

## 1 Summary

### Summary of the overall analysis

The District Logistics Analysis (DLA) was carried out in parallel with the LCA and consisted mainly in the search for a concrete operational pilot project. As the pilot project promoters and partners knew the situation very well, they were not interested in a very detailed and quantified analysis of the overall logistics situation. The emphasis of the project was on strategy development and negotiation. The mutual disclosure of internal figures of the small number of involved companies was not a first priority and occurred only in a second step.

### Summary of the project setup history

In a first phase in 2002 the EURES Institute tried to set up a pilot project in the area of Freiburg / Southern Baden looking also for cross-border cooperation. The first attempt and original idea based on a (still) existing city-logistics cooperation concerned cooperative distribution logistics in the region of Freiburg. The second attempt concerned large infrastructure projects in Southern Baden (waste, rail, Rhine project). The third attempt concerned a cooperation of the ports in the Basel agglomeration. All failed. There was very little interest in cooperation, especially between private and public actors. Very short term thinking of private operators under very high economic pressure. There was no strong public supporter.

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In 2003 the EURES Institute started to work with a strong public supporter in another region: the City Development Department of the City of Trier. They had a long record of efforts to promote regional logistics cooperation and a strong interest in cross-border cooperation with Luxembourg. Despite their strong support for searching a concrete project and gathering data, three more attempts, which are described in more detail below, failed:

Project A: Overall cross-border logistics concept for the region Trier / Luxembourg

Project B: Steel logistics in the region of Trier

Project C: Waste logistics in the region of Trier

finally successful was:

Project D: Trimodal logistics cooperation based in the Trier / Luxembourg region

### Summary of the successful cooperation project

A new multimodal cooperation between transport companies operating on the road, the rail and waterways has been decided as a result of analysis and talks within the NNESTO pilot project. Longterm mutual agreements are essential for allowing to conceive and to offer multimodal transport services on selected corridors. The cooperation will take the legal form of an EEIG.

## 2 Projects

### 2.A Project A

**Name of the project**

Overall cross-border logistics concept for the region Trier/Luxemburg

**Short description**

Development of an overall logistics concept comprising the Trier region and Luxemburg. Aiming at an integration of different modes, public bodies, private transport companies and producing companies. Various preliminary studies looking at different aspects have been made before. However, an overall concept in which the main decisionmakers are involved is still missing.

**Main actors**

1. The city of Trier
2. The logistics association of the Trier region (WAL)
3. Government bodies of Luxemburg
4. Main transport companies
5. Main producing companies

**Geographical location**

Grand Duchy of Luxemburg

The region of Trier (NUTS2)

**Course of action**

Based on existing studies, this idea was extensively discussed with the head of the city development department of the city of Trier in early 2003. Finally, he considered that it would be difficult to actively involve all the relevant actors with the available project resources. It was decided to concentrate on a more specific issue.

**Results**

none

**Outcome**

Overview on the situation by EURES.

## **2.B Project B**

### **2.B.1 Name of the project**

Steel logistics in the region of Trier

### **2.B.2 Short description**

Development of a multimodal logistics concept for a new steel mill in the city of Trier. The new steel mill, situated on the port is shipping its products in a range between 200 and 1000 km to different clients. The idea was to develop a coherent multimodal concept together with a road haulier linked to the steel mill company, a smaller railway company and a port operator. All parties were interested. Because of unexpected technical difficulties in the start of the steel mill, the steel mill owner postponed the project. At present, products are shipped on a day to day basis with different operators.

### **2.B.3 Main actors**

1. City of Trier: promotor of the project
2. steel mill company
3. road haulage company
4. railway company
5. port operations company

### **2.B.4 Geographical location**

Region of Trier

Destinations in Germany and Benelux

### **2.B.5 Course of action**

1. Proposition of the project by the City of Trier
2. Project concept elaborated by EURES
3. First talks and general agreement
4. Postponement of a general concept (too late for INNESTO)

### **2.B.6 Results**

none

### **2.B.7 Outcome**

none

## **2.C Project C**

### **2.C.1 Name of the Project**

Waste logistics in the region of Trier

### **2.C.2 Short description**

In the context of the construction of a new waste treatment plant, the Trier region needed a new logistics concept for the collection of waste and for the expedition of the new type of final products of the waste treatment plant. With the new system the collection area had to be much larger than previously, and at the same time less waste separation was needed. However, after already having invested several million Euro, the waste treatment company went into bankruptcy and the logistics concept was postponed while waiting for a new investor.

### **2.C.3 Main actors**

1. The city of Trier
2. The waste treatment company
3. A logistics and road transport company
4. The involved counties

### **2.C.4 Geographical location**

Region of Trier

### **2.C.5 Course of action**

1. Initial talks about the framework for a new waste logistics concept
2. General agreement to carry out such a study
3. Increasing difficulties of the waste treatment company. Stop on investments. Suspension of the time schedule
4. Abandonment of the project idea

### **2.C.6 Results**

none

### **2.C.7 Outcome**

none

## 2.D Project D

### Name of the Project

Trimodal logistics cooperation based in the Trier / Luxemburg region

### Short description

A new multimodal cooperation between transport companies operating on the road, the rail and waterways has been decided as a result of analysis and talks within the INNESTO pilot project. Longterm mutual agreements are essential for allowing to conceive and to offer multimodal transport services on selected corridors. The cooperation will take the legal form of an EEIG.

### Main actors

1. City of Trier
2. The regional Logistics Association WAL
3. EuroLuxCargo SA, the Cargo company of Luxemburg Railways
4. Speralux SA, Luxemburg, a logistics and road transport company
5. Luxport / Hafen Mertert / Container Terminal Trier, the crossborder port management company

### Geographical location

The core area of the cooperation concerns the Grand Duchy of Luxemburg and the Region of Trier. However it extends towards east, more intensively until the Rhine and along selected corridors to northern and eastern Germany.

### Objectives

1. To develop an overall concept for intermodal transport chain services to be offered in the cross-border region Trier/Luxemburg by the new public/private company taking into account her capacities and regional infrastructure
2. To develop an organisational concept for the optimal cooperation of the actors in the three different modes tailored for the new company
3. Consideration of the interests of public bodies and their possibilities to shape the frame conditions of logistics activities in the region (city of Trier, ...)
4. Exploitation of the strategic opportunities given by the large transport volume (e.g. investments in rail and waterways)
5. Consideration of economic, social and ecological aspects (sustainable development) both from a single business and from a regional development perspective

### Course of action

1. Proposition of the Concept by the City of Trier
2. General concept of the Project elaborated by EURES
3. General agreement
4. Meetings with the single actors
5. Formulation of a broad analysis and preconditions for joint action by EURES
6. Joint Meetings with three business partners and the City of Trier:  
clarification of expectations  
development of a shared perception of the situation  
exploration of possible fields of cooperation  
identification of the difficulties
7. Conception of alternative scenarios and identification of possible legal forms for the cooperation
8. Scenario workshop / decision to establish an EEIG
9. Doubts concerning the decision because of continued price dumping strategy of the German Railways
10. Enlargement of the partnership of the EEIG, final decision for the establishment

### Results

Six transport companies representing three modes (road, rail, waterways) decided to establish a European Economic Interest Grouping EEIG for offering multimodal transport solutions along selected corridors starting in the Trier/Luxemburg region.

### Outcome

Expected outcome at the end of 2004:

A functioning EEIG for multimodal transport chains starting from the region of Trier / Luxemburg.  
Operating multimodal transport chains to several destinations in northern and eastern Germany