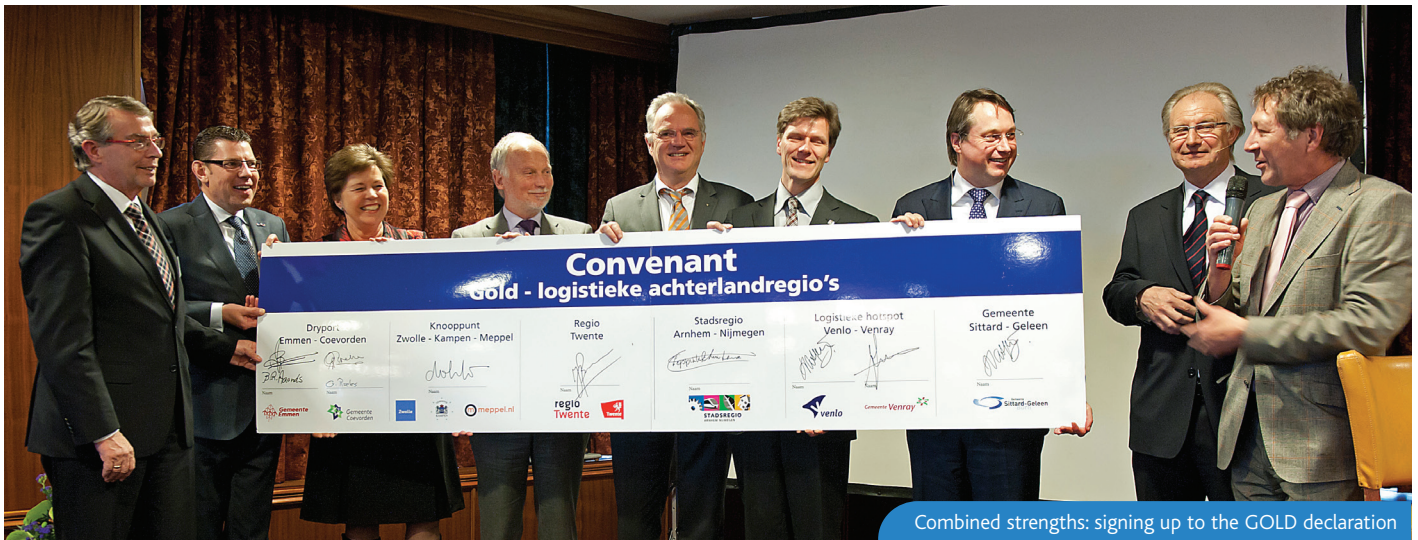


# DryportQuarterly

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## Smart logistics congress



Combined strengths: signing up to the GOLD declaration

### Dryport partners Emmen and Coevorden found strength in numbers when they held their 2012 Dryport Congress!

The event, titled 'A Smart Logistics Hub', attracted a full house of more than 260 delegates representing shippers, shipping lines, rail companies, terminal operators, consultants, logistics companies and local authorities. There was tremendous interest in the logistics opportunities on offer in Emmen/ Coevorden as a key hub close to the German border, said Henk de Jong, business development officer at Emmen.

Coevorden already has the Europarc cross-border industrial site, with the Euroterminal accessible by road, rail and water. The partners want to expand and promote this operation and develop a complementary dryport at Emmen, including the construction of new rail links.

"The congress was very successful and we had a very high number of emails afterwards from delegates, who were very enthusiastic about the dryport proposals," said Henk de Jong. "A key message to come out was that people didn't necessarily know what we are offering in Drenthe, or the possibilities that there are here in Emmen/Coevorden."

"We have a lot more to do on communication, and we continue to visit companies to explain the possibilities. The Dutch government is so focused on an east-west corridor from the main ports – Rotterdam/Amsterdam – to get to Germany, and we must work hard to get to the decision-makers, and open their eyes to the alternatives."

The congress was organised by Rob Spierings, who came on board the Emmen/Coevorden dryport project as a consultant during 2011. He has brought with him 25 years' experience in rail freight and a wide range of commercial contacts in the logistics industry.

"The congress was a good momentum to take the project a step further," he said.

On the evening before the congress, private companies and entrepreneurs from the region were invited to a special meeting at Coevorden Castle, where they signed an agreement in support of the dryport project. Three major manufacturing companies went further, saying that they would be prepared to invest money into the project so they could get more involved.

"If you have the support of the public entities, that is good; but, at the end of the day, it is the private sector that has to do the job," said Rob Spierings.

Having said that, public support and cooperation is vital – and after the congress, the four Dutch regions located on the German border signed a unique agreement to work together on common logistics-related issues. *(continued on page 2)*

## The Dryport journey

When we first set out on our 'Dryport journey' more than three years ago, we were unclear exactly where that journey would take us.

Now, as Dryport moves towards its conclusion at the end of June, all of the partners can look back on some significant gains.

Dryports offer many virtues: increasing the capacity of sea ports under pressure; enabling cargo to be whisked inland with minimal delay; offering 'green' supply chain opportunities;

providing critical hubs to serve the import/export needs of landlocked countries; helping to provide trade growth in developing countries.

As partners in Dryport, we have moved ahead with our own individual projects as well as working together to learn about, discuss and report on common topics and issues relating to dryports and related logistics.

Now we are planning our final Dryport conference; we will meet in Gothenburg in May, for an event organised to tie in with the European Maritime Day Conference on May 21 and 22.

We are looking forward to meeting friends and colleagues, reporting back on achievements to date, and hearing from some high-profile, prestigious speakers from the maritime and logistics industry.

Dirk Harmsen  
Project Manager,  
Dryport



(continued from page 1)

The agreement is called the GOLD declaration – GOLD standing for the provinces of Gelderland, Overijssel, Limburg and Drenthe, all presenting themselves as valuable and reliable hinterland areas for the Port of Rotterdam in particular.

"The GOLD declaration is an agreement to strengthen our positions on the border with Germany," said Rob Spierings. "We will work together on topics including the development of rail connections between the main ports and the hinterland, and the optimisation and development of customs and other value-added logistics and inspections, in support particularly of calls by the 18,000 teu ships now being built."

The signed agreement was presented to the Dutch ministry of transport. It represents a determined message by the GOLD partners to cooperate in order to be a strong voice in future logistics strategy in the Netherlands.

"By bundling our strengths, we have more influence," said Rob Spierings. "We now have the opportunity to learn and share knowledge on the challenges of cross-border operations. We can combine networks and use them far better."

## A new dynamism

The Emmen congress, the GOLD agreement and the signing up of regional companies to the dryport concept together represent a 'new dynamism' for the Dryport partners' project, according to Rob Spierings. "There were many different opinions and ideas at the congress, and it generated some very positive energy," he said.

**"We can be the alternative to the Betuwe route for getting into Germany."**

The delegates at the congress discussed the opportunities that the Emmen/Coevorden area and potential dryport could offer for greener and more efficient logistics, and also the way in which the project could provide vital support for the ports of Amsterdam and Rotterdam, particularly providing a smooth route into Germany.

With Rotterdam aiming at least to quadruple the number of containers moved by rail, by 2025, the need for smart logistics networks and hubs is clear.

"If Rotterdam does increase to the point it is forecasting, the Betuwe Line will soon be congested – so we are planning ahead," said Henk de Jong. "We can be the alternative to the Betuwe route for getting into Germany."

Overall, the congress really put the Dryport partners and their project 'on the map', he said.

The next step in the project will be a €19 million investment in a 2.5 kilometre section of rail track to Coevorden. This will give a direct connection to the German border without the need to take freight trains through the town centre.

# From truck to train: Low Carbon launch

The Haven Gateway has launched a unique Low Carbon project which is aiming to shift about 30,000 containers from road to rail over the next three years.

The £7.5 million (approximately €9 million) Low Carbon Freight Dividend project is designed to encourage small and medium enterprises (SMEs) in the East of England to make 'greener' transport choices when moving containers to and from the Haven ports.

SMEs eligible for the scheme will be offered a grant of up to 30% for moving their freight from truck to train, where traditionally they have only used road transport.

The project has secured nearly £3 million (€3.6 million) of funding from the European Regional Development Fund, and was officially launched in Felixstowe by communities and local government minister Baroness Hanham.



Baroness Hanham

"The timing of this unique and innovative project is perfect, as all retailers, including global brands, high street shops and major supermarket groups, look for ways of reducing the carbon footprint of their supply chains," she said.

"Growing public awareness of 'green' issues is putting increasing pressure on transport and logistics managers to seek out the most environmentally friendly options for moving their freight. The Haven Gateway is to be congratulated on creating a project that will support SMEs in taking another look at their transport choices and making a positive change in support of the environment."



Significant environmental benefits are promised; the project is expected to remove at least 11.7 million kgs of carbon dioxide from the logistics supply chain.

"The carbon reduction achieved through this project will be significant within the East of England and, by taking freight off the roads, the project will deliver direct economic benefits to the region," said project manager Lisa Brazier.

A key part of the project will be the Containerised Cargo Carbon Calculator, an online tool developed by the Haven Gateway as part of its work within Dryport. The Carbon Calculator offers a user-friendly website where logistics operators can compare and contrast cargo movement methods (road, rail and water) and the carbon emissions for each method.

The Low Carbon Freight Dividend project will also include a series of 'Optimisation of Freight Movements' workshops, providing advice, guidance and practical examples of how to reduce carbon emissions in the movement of freight, including loading techniques, better driving techniques and fuel efficiency.

Tony Berkeley, chairman of the UK's Rail Freight Group, said: "This is a really creative and fantastic scheme to encourage smaller firms to use rail freight for their container transport inland from the Haven ports. It will widen the interest in rail freight and demonstrate to them and their customers just how effective rail freight can be and the benefits, in time, cost and carbon reduction, that it can deliver.

"It will also demonstrate to government and industry just how much of a contribution containers by rail can make to its target of reducing carbon emissions by 80% by 2050. I look forward to seeing a strong take-up of this imaginative scheme."



Baroness Hanham with Richard Morton and Lord Tony Berkeley (chairman of the UK's Rail Freight Group) at the Low Carbon Freight Dividend launch



# The 'green and sustainable' message

The Port of Zeebrugge has strengthened its commercial team to boost its marketing efforts for the unique Maritime Logistics Zone (MLZ), which is located next to the sea port.

Alongside this, the team has been attending conferences and giving presentations at a variety of events, said Patrick van Cauwenbergh, Policy Director in the Port of Zeebrugge.

"There is a good deal of interest from companies in the MLZ," he said. "The past five to ten years have seen growing interest in being green and also sustainable. It is an important issue. We continue to talk to companies about the possibilities, while also lobbying for improved infrastructure links that will make the logistics zone even more attractive."

Even in the case of Zeebrugge, it is clear that it takes time and patience to change supply chain habits.

The 120-hectare MLZ is linked by road, rail, sea and inland waterway to a number of

inland import hubs, but improved links to the inland waterway system are a top priority.

Studies have been carried out into the potential deepening and widening of an existing waterway to enable the transit of vessels up to 4,500 tonnes directly into the Ghent region, offering connections into the French hinterland. The latest studies were completed at the end of 2011, and a report was published in the Flemish parliament.

It's not a straightforward issue – there is public opposition from people living alongside the proposed waterway.

"There will be further discussions about the proposals, and then the Minister will make a decision," said Patrick van Cauwenbergh.

"We are seeing investment in other hinterland routes, including railway and road infrastructure. We also handle estuary barges, which have special permission to sail along the coastline, taking containers and ro-ro units into the Scheldt, but

these specialist craft are expensive and limited in supply. Our priority remains finding a good solution for inland navigation."

The Port of Zeebrugge handled nearly 50 million tonnes of cargo in 2010 and although volumes fell back in 2011 due to economic factors, the forecast is that volumes could reach 60-70 million tonnes by 2020.

"Zeebrugge is fast-growing and needs excellent hinterland connections," said Patrick van Cauwenbergh.

The MLZ operation that has really grabbed the attention is Efico/Seabridge Logistics' €30 million carbon-neutral coffee import centre, which was opened in 2010. This eco-friendly coffee processing, warehouse and distribution centre was described by experts as 'perhaps the most advanced example in the world' of what can be achieved by a company committed to reducing its energy consumption and carbon footprint.



## Dryport planning study set for publication

A major study into 'Governance and Conflict Resolution in Dryport Planning' has been researched and written by Dryport's German partners, the Institute of Labour and Economy (IAW) of the University of Bremen.

IAW set out to establish how and under what conditions dryports can be successful; and under what conditions dryports can work efficiently as a complementary partner for seaports and as a reasonable option for future-oriented and sustainable logistics.

The report considers dryports in the context of: spatial and environmental issues; functions and services and how they are combined and integrated; competitive issues and the economic dimension; and governance issues and how an all-winners result can be achieved.

It has been based on case studies in four partner regions of the Dryport project. Interviews and research were carried out in order to compare the process of dryport implementation at Bremerhaven/Bremen, Felixstowe/Haven Gateway, Gothenburg/Falköping and Zeebrugge. In each case, the key points were the specific local situation, the mix of stakeholder and relationships between stakeholders, the actual process of planning, implementing and operating the dryport, and forms of governance.

The study identifies and summarises the spatial, economic and functional dimensions of the dryport concept, considering how different combinations of these functions are in place. It examines dryports as part of an extended gateway, as functional satellites, as hinterland hubs, and as exclusive multimodal cargo terminals.

One of the broad conclusions is that the process of planning, implementing, building and operating a dryport is a process of multiple integration – into the logistics chain, into individual companies' strategies, and into intra and interregional structures.

If a combination of all three factors is achieved, there is a good chance that, in cooperation with the corresponding seaport, a dryport can be implemented and operate successfully.

The report is now in its final stages before publication along with an executive summary executive summary, and will be available soon at [www.dryport.org](http://www.dryport.org)



# Changing habits takes time!



**No matter how well-located your dryport, or how convincing the arguments are in terms of saving money, reducing carbon and improving efficiency – it takes time and patience to persuade companies to change their supply chain habits.**

And that's really the story at the Skaraborg Logistic Center in Falköping, where Dryport's Swedish partners understand that attracting companies to the dryport concept isn't going to happen overnight.

But slowly, steadily, the message is getting through, said Leif Bigsten, manager for strategic development at the Municipality of Falköping. "Our job is to tell the different players in the industry that we exist, to prove to them that Falköping is a good opportunity, and to help them make contact with companies that could help them develop their business in Falköping," he said.

"For example, we had discussions for about a year with a large company about handling their containers in Falköping, and we put them in contact with distributors and companies who can help them create a possible solution using the dryport.

"We have successfully created that interest and now they have taken the decision to do a more detailed investigation with their own consultants." The truth of the matter is that a lot of companies haven't really thought much about the different

possibilities regarding their transport solutions," said Leif Bigsten. "Their main focus is on what they produce; SMEs are production-oriented and therefore interested in new production techniques and new machines, but find transport boring. They have a supply chain solution today that is functioning and to interest them in new solutions takes some time."

However, supply chain issues are certain to become a higher priority as companies consider the increasing costs of transport and the carbon implications of their choices.

"Perhaps just using road haulage is cheaper at present, but it won't be in the future," he said. "Companies need to think some years ahead and find ways to save money and the environment in their supply chains."

The Skaraborg marketing efforts have been strengthened by the arrival of logistics consultant Tomas Arvidsson on the team; he has excellent contacts in the logistics sector and long experience in creating innovative supply chain and transport solutions.

"He is helping us to find companies that could fit into the Falköping system," said Leif Bigsten. "And alongside this, we have continued our marketing efforts – through direct connection with businesses, and through events such as the huge logistics fair we attended in Munich last year. Last autumn we also invited a large

number of companies to Falköping for a special presentation.

"We also maintain our university connections, which enable us to work with companies that are looking for a new logistics solution."

Clearly, Falköping's ambitions are to attract containers to Skaraborg, and operate a dryport to support container volumes coming through the seaport of Gothenburg. However, the largest successes so far have been in attracting forest products to the site, where specially designed timber trains are used for onward transport, and the marketing team continues to work with this sector.

Leif Bigsten believes that the present low prices for construction make Falköping additionally attractive for businesses considering setting up operations there.

Meanwhile, a new train maintenance depot being built next to the dryport site is a bonus 'spin-off' from the marketing team's efforts and the wider Dryport project, he said.

"Our work definitely helped to attract this company to Falköping. They will start to build the new depot this year and will probably be operational at the beginning of 2013 – and they will employ 20 to 25 people."





# Developing a common picture: MTC

**Dryport continues to coordinate and communicate with other EU projects in order to share knowledge, expertise and research, and avoid duplication of effort.**

One such project is the Maritime Transport Cluster (MTC), an 18-month initiative which is creating a bridge between the results obtained from ongoing Interreg IVB projects dealing with maritime transport issues, and new business trends from the maritime industry, as well as with EU transport policy development.

The short 18-month time period means a tough and tight schedule to meet the project's objectives, said MTC coordinator Stefan Breitenbach, of Hamburg Port Marketing. The project has completed its first report: 'Developing a common picture of maritime transport and its hinterland in the North Sea Region', which includes insights from the NSR projects, relevant EU funding programmes and transport research.

**"We push forward the Dryport objective in that we support the project's strategic element: 'Dryport – a modal shift in practice.'"**

The results show that sustainable development, particularly with respect to environmental issues, is considered crucial for future developments in maritime transport, he said. "This requires special emphasis of transport research and policy in the field of energy efficiency and avoidance of negative environmental impacts, to reduce air emissions and protect marine habitats.

"In addition, supply chain optimisation has been identified as an area still offering great potential to improve maritime transport logistics. Future maritime research needs to focus on supply chain integration of maritime transport chains in respect of intermodality,

safety and security, as well as on the integration of the nodes and links between."

The key issues identified in the report will be presented to and discussed within business and policy stakeholder groups: "The aim will be to confirm and further refine where necessary the 'hot topics' and priorities for future research programmes to focus on."

The MTC involves maritime transport related projects directly through their Lead Beneficiaries, keeping them informed about the MTC process and involving them in its activities where this works.

"The Dryport project was involved through Dirk Harmsen [Dryport project manager] in our activity to develop a common picture of maritime transport and its hinterland in the NSR," said Stefan Breitenbach. "Furthermore, he supported the MTC by involving business actors during our business consultation. All cooperation is highly appreciated!"

MTC was invited to participate in a recent Dryport project management team meeting, to inform the partners about its progress.

"We push forward the Dryport objective in that we support the project's strategic element: 'Dryport – a modal shift in practice'. Strategically the project shows a solution to decrease emissions by bundling cargo flows to a more sustainable transport mode, as well as helping to overcome infrastructure bottlenecks by more efficient use," said Stefan Breitenbach. "Dryport therefore supports, for example, the environmental targets sets in the EU White Paper [on transport]. And, of course, we highlighted the Dryport project itself during our business consultation with players in this field, such as inland terminal operators, port authorities and seaport terminal operators, and will do so in future."



The MTC activities have included business sector consultations, workshops, one-to-one meetings and surveys, as well as working with industry organisations such as the European Sea Ports Organisation (ESPO) and the European Community Shipowners' Associations (ECSA).

What does Stefan Breitenbach hope will be the most important legacy of the MTC project when it finishes at the end of this year?

"That the information on hot topics, gaps and opportunities from the projects themselves and the maritime business sector results in strategic advice being provided by MTC," he said. "Ideally, relevant decision-makers at the national level and in EU institutions will make use of the MTC findings and, through this, the findings of the MTC will contribute to the discussions on future EU transport policy developments."

## Examining 'double peripherality'

**A new study from Dryport's Scottish partners at TRI Napier examines port-centric logistics, dryports and offshore logistics hubs as possible strategies for overcoming Scotland's 'double peripherality'.**

Scotland's low accessibility is reflected in the limited share of Scottish utilised freight traffic coming through the country's own ports; the paper considers whether restructuring the transport chains of large shippers through new corridors could make a difference. 'Double peripherality' refers to Scotland's status both physically and institutionally.

"Peripheral regions and nations within the EU require a range of transport options for access to the economic centre of the European continent. Yet for market access, Scotland relies heavily on maritime services via remote southern seaports, with the result that the majority of Scotland's trade travels overland through England," said Jason Monios, representing Transport Research Institute, Edinburgh Napier University on the Dryport project.

"Peripherality invites additional technical, financial and market discontinuities which further challenge accessibility."

The evidence suggests that Scotland does not suffer poor direct maritime access with mainland Europe due solely to geographic or economic reasons, says the paper. Lagging infrastructure development, as well as a lack of sufficient government initiatives to promote direct links, have also been cited as key reasons.

The report points out that transport by coastal feeder from Felixstowe to Grangemouth is cheaper than rail and far cheaper than road, yet road remains the dominant mode due to strategies of centralisation and agglomeration.

It says that a lack of maritime policy for Scotland has also led to development failure and a dependence on English ports, both by road and via the Coatbridge inland rail terminal. There has been a heavy emphasis on external gateways in southern England in recent years.

Scottish ports are attempting to attract cargo flows by maritime links, predominantly through port-centric logistics strategies. This is in line with the strategy of many medium-sized ports in the UK which are pursuing port-centric logistics as a way of competing with larger ports and can be seen as one way to approach what has been called 'the challenge of the periphery', says the TRI Napier study.





# EPCSA – a strong voice in Europe

The European Port Community Systems Association (EPCSA), which is part-funded through Dryport's Work Package 3, is going from strength to strength.

The formation of EPCSA means that, for the first time, Port Community Systems have a common lobbying position at the European Union; its members have agreed to work together in order to have a positive influence on new developments and initiatives.

Early achievements have included recognition of the important role that PCSs can play – and are already playing – in the move towards the Single Window environment in the EU.

This was highlighted in discussions at the UN's Global Trade Facilitation Conference held in Geneva.

The event was attended by more than 200 representatives from governments, the business community and international organisations, representing a total of 51 countries from all five continents. It was an ideal platform for explaining how and why PCSs act as the vital cog

in millions of supply chains across Europe – and how port stakeholders can work together to create such a system in order to deliver smooth and efficient supply chains.

EPCSA chairman Pascal Ollivier, who is director of corporate development at SOGET, said that the recognition of the importance of PCS operators by the European Commission, UN and World Customs Organization represented the most important achievement by EPCSA in its first year.

"The ultimate achievement was in Geneva, when PCSs were identified as a Single Window model in the conference conclusions," he said.

Looking ahead, EPCSA's committees are moving forward rapidly on a number of projects this year, from moving towards standardisation and harmonisation in Europe, including WCO and UN Data models; the Import Control System (ICS) phase 2 proposal, moving towards a dual filing from the ocean carriers and freight forwarders through the PCS; and implementation of the 2010/65 Directive.



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