

LUXEMBOURG YOUR MULTIMODAL GATEWAY TO EUROPE

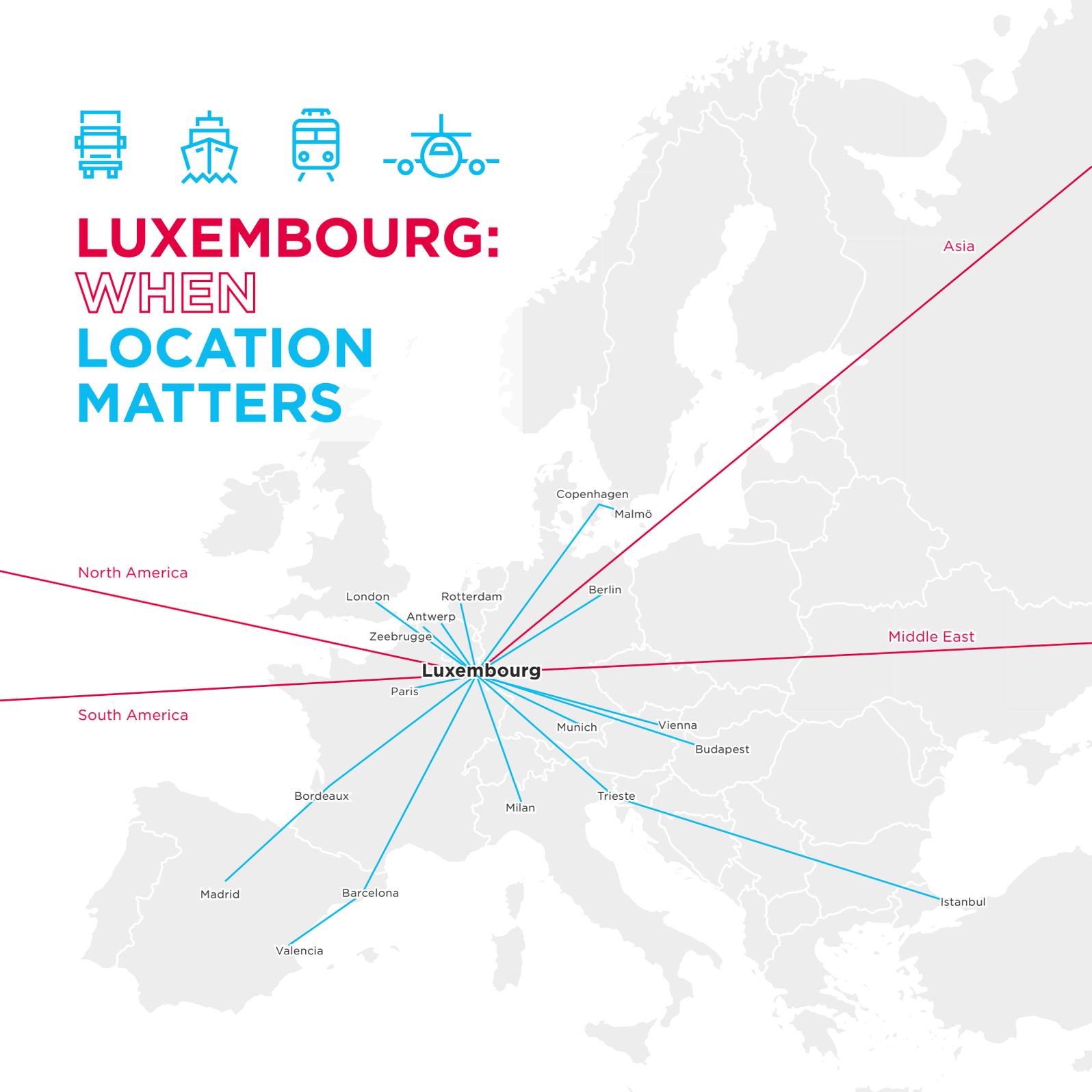


Cluster for Logistics
Luxembourg
asbl

ADDING VALUE IS THE KEY



LUXEMBOURG: WHEN LOCATION MATTERS



Asia

North America

Middle East

South America

Luxembourg

Copenhagen

Malmö

Berlin

London

Rotterdam

Antwerp

Zeebrugge

Paris

Bordeaux

Madrid

Barcelona

Valencia

Milan

Trieste

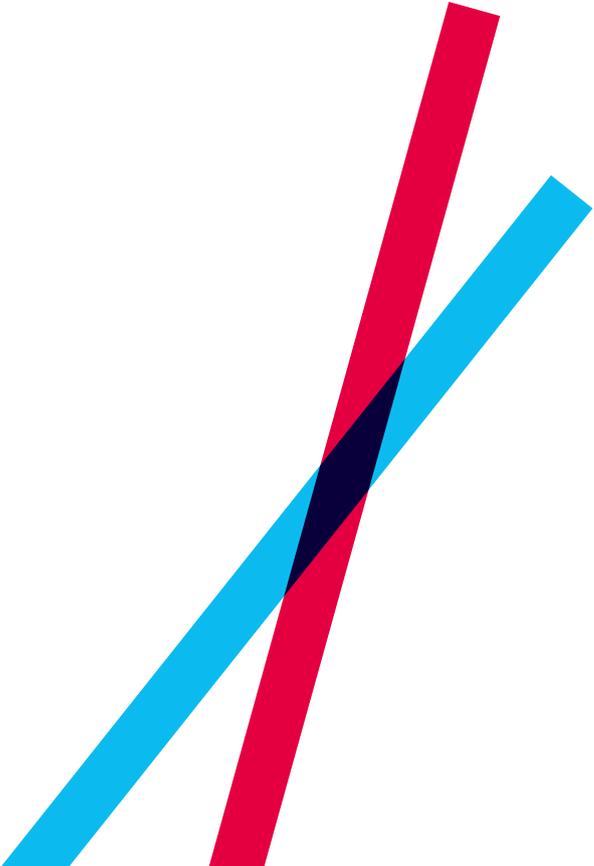
Munich

Vienna

Budapest

Istanbul

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WELCOME IN LUXEMBOURG

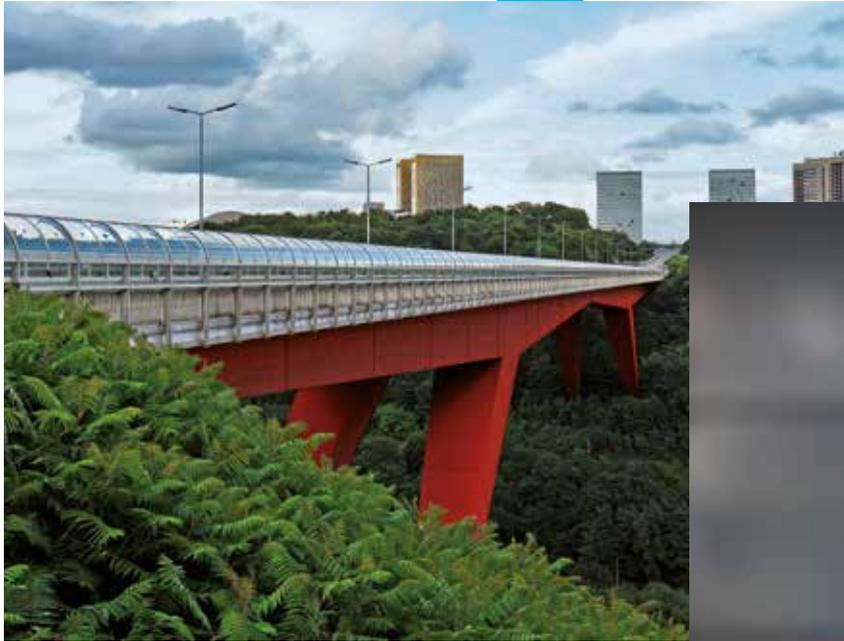
Logistics and transport are an essential part of the globalized economy and the Grand Duchy of Luxembourg is continuously strengthening its position in this domain. Governmental support gave birth to one of the fastest growing sectors in Luxembourg and today the logistics sector is a key pillar of the Luxembourg economy. Ideally situated in the heart of Europe and less than 300 kilometers (186 miles) away from three world class ports, Luxembourg offers **privileged access** to an above average potential market of 450 million affluent consumers.

In addition to a central European location, fast connections are an important element in logistics. Situated on a **Ten-T core network corridor** and at the intersection of a Trans-European road freight corridor, Luxembourg is the ideal center for consolidating logistics activities in Europe. Fast multimodal operators link Luxembourg with several large ports in Europe. Luxembourg ranks 8th in the Logistics Performance Index 2014 and holds the first place among landlocked countries. Our three multimodal logistics hubs, consisting of air, rail, river and road transport, possess great potential as a **Hinterland hub**. Luxembourg logistics operators provide a broad array of services including highly specialized contract solutions.

Moreover, thanks to the multilingual business community, new companies can easily set up procurement centers and international headquarters.

To help diversify its economy, the Luxembourg Government has endorsed several beneficial laws ensuring Luxembourg's position as a logistics hub. These regulations have enabled the development and enhancement of existing infrastructures and the creation of high value added services. **LE FREEPORT Luxembourg** has been operational since September 2014 and sets new standards in preservation, storage and management of art works and highly valuable goods. Since 2013, the **Airport's Cargo center** also houses a GDP-certified temperature-controlled Pharma & Healthcare Centre.

The **Eurohub South** extension site as a choice logistics platform in Europe allows multimodal transport and creates services linked to new destinations. The capacity of this site is expected to treble and will offer efficient access to cargo railways and highway connections throughout Europe. The main bulk and fuel storage site, **riverport of Merttert**, offers direct connections to the North Sea ports via the Moselle and Rhine rivers.



Carlo Thelen
President of the Cluster for Logistics Luxembourg



Moreover, the Luxembourg government is committed to a transport policy that focuses not only on economic strength, but also on the ecological impact of transportation. Ongoing efforts to achieve a further reduction of CO2 emissions is one of the nation's ambitious climate change objectives. Luxembourg participates in the **LEAN and GREEN** project initially created in the Netherlands by Connekt. This initiative is led in Luxembourg by the Ministry for Sustainable Development and the Cluster for Logistics.

Luxembourg's openness, attractiveness and location make it the ideal choice for entry into Europe, establishing a center for new business creation. The logistics sector currently employs 4% of the national workforce and the sector grows continuously each year. Enhanced education

and training programs help Luxembourg generate greater recognition and attract a skilled and qualified workforce. This brochure highlights the multiple opportunities Luxembourg offers to investors in the field of logistics.

Logistics operations made in Luxembourg offer a sustainable, competitive and international advantage.

CARLO THELEN

President of the Cluster for Logistics Luxembourg

THE CLUSTER FOR LOGISTICS AND ITS MEMBERS

Logistics is one of the sectors the Luxembourg Government aims to develop within the framework of its economic development policy. Luxembourg encourages all initiatives that strengthen its position as an intercontinental European logistics hub. The **Cluster for Logistics Luxembourg asbl** fits perfectly into this logistics action plan.

In order to reach this objective, the Cluster for Logistics has united all institutional players and private enterprises in different competencies. The Cluster focuses on logistics companies but also welcomes businesses that depend on and use logistics services. In addition, the Cluster brings together representatives from logistics companies, shippers, carriers, transporters, public research centers and institutions. Their shared goal is to **strengthen Luxembourg's position** as a major **European logistics hub** especially for high value added services. The Cluster for Logistics is a member of the European Logistics Association along with twenty other national logistics associations.



The Cluster for Logistics' initiatives and actions focus on improving professional tools providing decision makers with accurate information and advice. In this way, an advantageous global structure can be assured. In addition, the Cluster provides member support helping to expand current services with new innovative features. These target specific niche markets with very high quality standards and value added services.

JOIN THE CLUSTER FOR LOGISTICS

Membership of the Cluster helps you...

- gain knowledge of the whole logistics industry
- identify the needs of Luxembourg and its sectors
- bolster your initiatives in Luxembourg



Among our members we do not only count numerous logistics companies but also many industrial actors and service providers interested in logistics.

Look up details about the membership and the subscription form here:

www.clusterforlogistics.lu/join-us

TYPICAL CLUSTER ACTIONS IN A NUTSHELL:

- Increasing the recognition of Luxembourg logistics
- Managing workgroups improving the competitiveness of the logistics sector
- Communicating recommendations to governmental authorities
- Organising events allowing member networking in national and international events
- Meeting international logistics organizations and sharing common experiences
- Representing the national logistics sector in international organisations

LUXEMBOURG: WHEN LOCATION MATTERS

Despite being a landlocked country Luxembourg is a natural hinterland. It boasts links via dense railway networks and other connections to the Rhine-Moselle waterways. These waterways connect to several huge European ports namely Rotterdam, Antwerp and Zeebrugge,

Findel International airport, the Eurohub South, the inland Port of Mertert and the state of the art road and rail infrastructure provide Luxembourg with the necessary assets to be a leader in multimodal freight transportation.

Throughout the years, Luxembourg has become an attractive location for high value added logistics and shipping activities. Due to the logistics focused government strategies and the overall favorable business climate, a broad range of companies have already established offices in Luxembourg and have developed the Grand Duchy into a major European logistics hub.

Two main freight corridors intersect in Luxembourg:

Great-Britain / The Netherlands / Belgium < **Luxembourg** > Switzerland / Italy / Austria / Turkey
Poland / Scandinavia < **Luxembourg** > France / Spain / Portugal



10 GOOD REASONS TO OPERATE FROM LUXEMBOURG:

01. 80% OF THE EUROPEAN UNION GDP CAN BE SERVICED FROM LUXEMBOURG IN ONE DAY
02. EXISTING EUROPEAN AIR-CARGO HUB LINKS TO ALL CONTINENTS
03. EXTENSIVE GATEWAYS TO MAJOR EUROPEAN SEAPORTS
04. ACCESS TO MULTIMODAL LOGISTICS PLATFORMS
05. FAST AND EASY IMPORT/EXPORT PROCEDURES
06. NO VAT PRE-FINANCING ON IMPORTS
07. A STABLE BUSINESS ENVIRONMENT
08. PRESENCE OF WORLD-CLASS LOGISTICS OPERATORS
09. STRONG GOVERNMENTAL SUPPORT
10. HIGHLY SKILLED AND MULTILINGUAL WORKFORCE

THE NATIONAL AIR FREIGHT CENTER

The state-of-the-art 80,000 sqm **Cargocenter** allows automated stacking, retrieval and loading of up to 1,640 unit load devices (ULD). A dedicated 90,000 sqm ramp area, located next to the cargo center area supports simultaneous handling of up to eight wide-body aircraft.

LuxairCARGO is the leading air freight handling agent at Luxembourg airport, making it one of the largest air freight platforms in Europe. LuxairCARGO handles all categories of cargo and aircraft and has a capacity of 1,000,000 tons per year, with further possibilities for expansion. Integrated processes from aircraft to truck and vice versa are a unique and valued service offered by LuxairCARGO.

This set-up results in average transit times for cargo of just eight hours, while a fully loaded Boeing 747 freighter can be turned-around in as little as two hours.

Therefore, it is no surprise that LuxairCARGO has developed a major distribution hub for high-tech goods, perishables, livestock, pharmaceuticals and consumer products. In addition, the facilities and handling processes are designed to handle off-size, heavy or valuable cargo.



Cargolux is Europe's leading all-cargo airline with a modern fleet of Boeing 747-400 and 747-8 freighters. The company was launch customer and world's first operator of both aircraft types. Cargolux operates in more than 85 offices in over 50 countries.



The CargoCenter is one of the largest airfreight airports in Europe.

LUXAIRCARGO

Infrastructure and integrated services position LuxairCARGO as the leading independent cargo handling agent in Europe.

- Warehouse: 85,500 sqm
- Including Pharma & Healthcare Center 3,000 sqm
- Warehouse temperature control 2° to 8°C
- Warehouse temperature control 15°C to 25°C
- Outsized cargo: 7,400 sqm covered
- Cargo A/C positions: 8 Widebody
- ULD storage capacity: 1,664
- Build-up/break down stations: 100
- Truck docks: 113
- Capacity: 1,000,000 tons/year
- TAPA-A certified
- A neutral “road feeder” network, operated by LuxairCARGO

For more information, please visit:
www.luxaircargo.lu

NEW PHARMA & HEALTHCARE CENTRE

Having been completely upgraded in March 2013, the **Findel Airport CargoCenter** houses a temperature-controlled **Pharma & Healthcare Centre** with 3,000sqm warehouse space. Through restricted access to the facilities, TAPA-A and GDP certifications are chartered guarantees for reliable freight processing.

All freight processing is temperature-controlled and the dispatch ramp is directly adjacent to the warehouses.

- Totally GDP 2013 compliant
- Warehouse capacity 2° to 8°C: 350 pallets (Euro pallets) – 818 sqm
- Warehouse capacity 15°C to 25°C: 1,270 pallets (Euro pallets) – 1,600 sqm
- Warehouse capacity 2°C to 25°C: 70 10ft-ULD
- Temperature-controlled set-up zone (2°C to 25°C)
- Six dedicated, temperature-controlled truck docks

For more information:
www.logistics.lu/pharma-healthcare

LUXEMBOURG FREEPORT

Conveniently located **LE FREEPORT Luxembourg** is directly connected to the adjacent air cargo terminal at Luxembourg Findel airport. LE FREEPORT offers optimal storage facilities with various sized vault/safes for artwork, precious metals, wines, antiques, jewels, documents, digital goods and other valuables.

- Imported goods are VAT and customs duty exempted.
- Storage fees are VAT exempt
- Goods can be shipped to LE FREEPORT from anywhere in the world by road or by air.



The LE FREEPORT building itself is a **piece of art** and its architectural priorities meet the most stringent sustainable development standards resulting in the lowest possible energy consumption.

LE FREEPORT Luxembourg, open since September 2014, is a highly secure and specifically constructed storage facility designed to provide the best available conditions for preservation, storage and display of artworks and other valuables.

LE FREEPORT is a one-stop-shop for end customers providing a variety of services for their valuables stored in the Freeport.

For more information, please visit:

www.luxfreeport.lu



The Freeport is a piece of art by itself and offers a high security environment for your valuables.



MULTIMODAL TRANSPORT

Luxembourg's rail freight sector is centralized at the **Eurohub** South logistics park, in the South of the country. This strategic geographic location connects the intermodal terminal and the marshalling yard, both operated by CFL freight entities under the brand name **CFL multimodal**, to the main European transport networks.



With regular connections to the North Sea, the Baltic Sea and Southern Europe, **the intermodal terminal of Bettembourg-Dudelange** provides transshipment services for containers, swap bodies, craneable and non-craneable trailers. Together with the Modalohr platform - the departure and arrival point for the rolling motorway to and from Perpignan (France) - the terminal is positioning itself as a European logistics hub.

A new intermodal terminal is under construction and will open early 2016, offering more connections to major European economic centres and ports. It will have a capacity of 300,000 container handlings per year on the combined terminal and 300,000 trailer shipments per year on the Modalohr platform. The terminal will be directly linked to CFL multimodal's new multifunctional warehouse, also located at Eurohub South. This new facility will bring together CFL multimodal's different high added value logistics activities on one single site.

The development of alternative modes of transport and logistics solutions is a major challenge for transport policies at the national as well as at the European level, given that the flows of goods generate more than 40% of the CO₂ emissions in the transport sector and more than 10% of overall CO₂ emissions. By constantly developing new destinations for the combined transport activities and improving the existing infrastructure, CFL multimodal contributes to **promote the modal shift from road to rail**.

For more information, please visit:

www.cfl-mm.lu

The current Bettembourg Terminal dedicated to rail and road transport.



▲ New Terminal operational in 2016.

MULTIMODAL TRANSPORT AT A GLANCE

	2014	2025
Containers handled	125,000	300,000
Trailers handled	48,000	300,000
CO ₂ emission reduction	160,000 TCO ₂ /year	525,000 TCO ₂ /year

ROAD TRANSPORT

Luxembourg is very well placed in the field of international road transportation. Its economy supports the development of highly specialized road haulage operators who are recognized for their professionalism throughout Europe.

Approximately 800 transport companies are established in Luxembourg and 400 operators are specialized in international transport. These companies operate approximately 5,000 trucks and employ 7,000 drivers.



Thanks to Luxembourg's small size, all transport companies located here have developed a strong international presence and can be seen on all roads across the European Union.

The range of offered services is highly diversified and includes:

- Road transport solutions
- Rail-Road transport solutions
- Distribution of palletized goods
- Distribution of parcels
- Express transport

The Luxembourg road transport sector provides solutions for all requirements, flows and volumes. Well trained and responsible drivers service all transport needs, with state-of-the-art vehicle fleets, in compliance with the latest safety and environmental standards. The provided transport solutions consider all environmental cost constraints and a large portion of the global fleet comply with EURO V and EURO VI environmental legislation.



2014

- Road freight transport operated by hauliers registered in Luxembourg by type of operation (*in million km*)

Total: 7,200

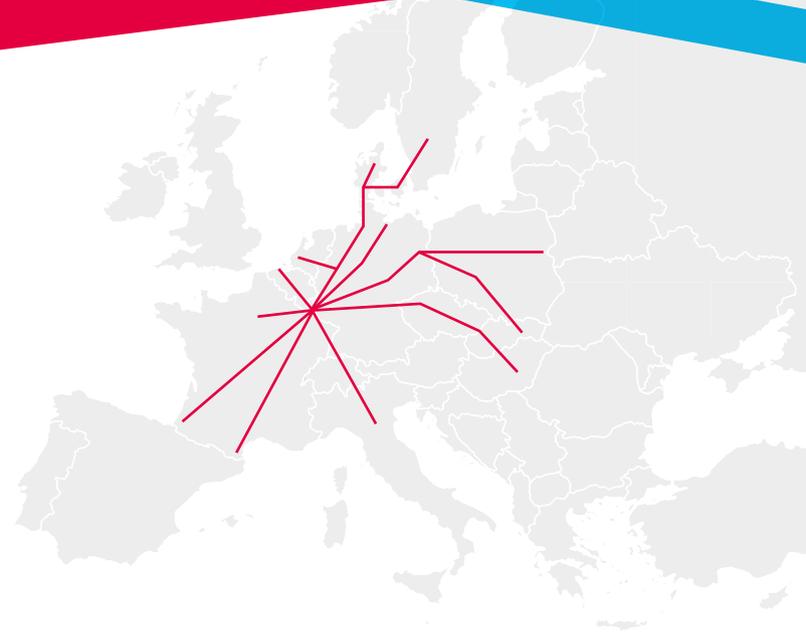
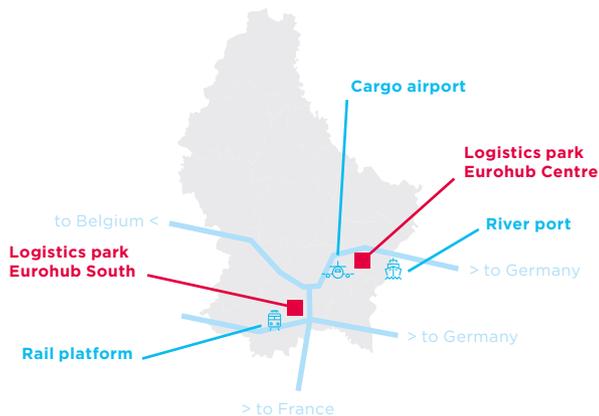
Source: Statec

- Road freight transport in Luxembourg
International road haulage operators: 422
Number of trucks: 5,300

Source: Statec

LOGISTICS PARKS

To facilitate the establishment of new logistics activities, the Luxembourg government's action plan makes land available to companies planning to implement a value added logistics project. For this purpose, **the Eurohub Center activity zone in Contern** and **Eurohub South in Bettembourg/Dudelange** have been designated as dedicated logistics parks. While Eurohub Center focuses on logistics activities linked to air freight, Eurohub South is dedicated to railway logistics.



Eurohub Center hosts several well-known international logistics service providers. It is suitably located on the intersection of the main freight corridors connecting North-West to South-East Europe and North-East to South-West Europe. Eurohub South will function as an extended gateway to the main European sea ports. An investment of more than 200 million Euros has been allocated to build up a state-of-the-art infrastructure.

The new logistics park will be one of the top 10 European locations for transport and logistics services. In close cooperation with research institutes and innovation agencies Luxembourg plans to develop innovative logistics solutions 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
- Traffic flow management center

TRANSPORT & LOGISTICS SERVICES

Due to outstanding market connectivity, Luxembourg has emerged as an ideal hub for transport and logistics activities.

The excellent airport location and the rail-road hub allow logistics and freight forwarding companies fast and cost-effective cargo movements. **Safety, security, efficiency, innovation and cost-effectiveness are all priorities.** Local companies, international logistics groups and subsidiaries have developed their services in Luxembourg and greatly benefit from this dedicated business environment. The wide range of services includes classic 3PL activities and highly specialized contract logistics solutions.

The logistics and transport companies located in Luxembourg are specialized in international air freight (transport, air cargo, airplane container, etc.), international sea freight forwarding, and land transportation. In this specific area, companies offer transport solutions via inland waterways, road transport, rail carriage, or combined rail-road services. Many of these companies have extended their services to warehousing and value added logistics thereby offering complete supply-chain solutions to their customers.

An important number of qualified players (i.e. handling agents, forwarding agents and logistics technology providers) provide quality services creating just-in-time access to all European countries. As a result, numerous international companies are shipping their products through Luxembourg and tapping into the European market.



FLUVIAL FREIGHT

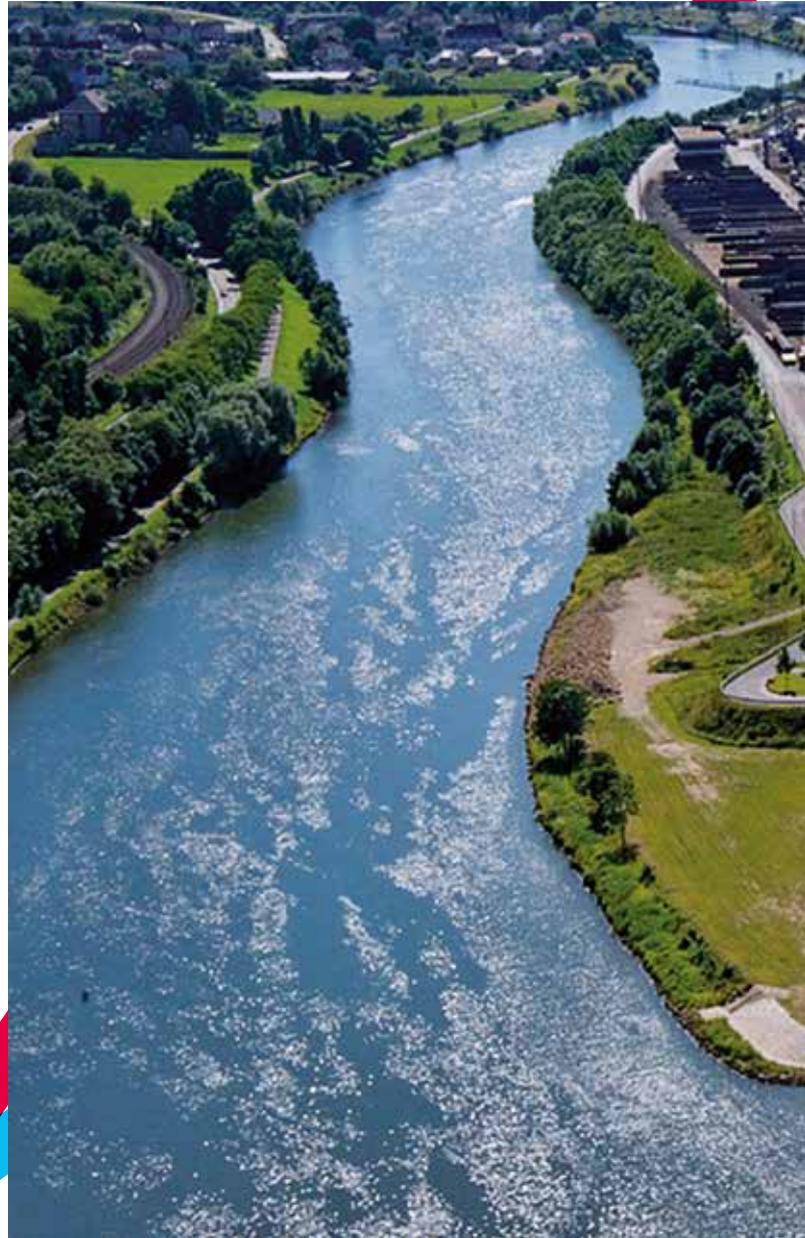
The **Port of Mertert** is designed to support the development of the Luxembourg economy. Excellent river, rail and road connections establish its foothold in the trans-European transport network.

Due to the Port of Mertert's ideal **and unique strategic location** in Luxembourg comprising three transportation modes and transshipment from river, rail and road, the port operator with support from the Ministry of Sustainable Development and Infrastructure, and their handlers, seek to sustain the Port of Mertert at every opportunity.

For more information, please visit:

www.portmertert.lu

www.luxport.lu





THE FLUVIAL FREIGHT SECTOR AT A GLANCE

Located in the municipalities of Mertert and Grevenmacher on the left bank of the Moselle, the Port of Mertert covers a total area of 65 hectares.

Two 1,600 meter long docks along the port basin are equipped with 10 rolling cranes with a lifting force capacity of 12 to 35 tons.

THE MARITIME SECTOR

Established in 2008 as a non-profit organization, the **Luxembourg Maritime Cluster** (CML) brings the Blue Economy of the Grand-Duchy to the forefront. Fifty companies and institutions proudly and convincingly represent the local maritime business community at national and international levels. Cluster members **offer a wide variety of maritime business experience and expertise** such as shipping, dredging, classification, ship brokerage, banking, law, consultancy and auditing, insurance, security and safety, railway and maritime logistics.

It is estimated that about 1,000 jobs in Luxembourg are directly or indirectly linked to the maritime sector. Indeed, ship owners registered in the Grand-Duchy provide jobs to approximately 400 highly-skilled employees on shore and around 4,000 at sea; this is in addition to the roughly 600 maritime related jobs in insurance companies, banks, law firms, consultancy groups and, last but not least, maritime logistics operators, i.e. the “flagship sectors” of the Grand-Duchy. In other words, revenues created by the maritime activity extend well beyond the registration fees paid by ship-owners. The overall benefits for the country are considerable in terms of job creation and wealth generation.



**CLUSTER
MARITIME**
Luxembourgeois

The Commissariat aux affaires Maritimes is the focal point of all shipping matters in Luxembourg and responsible for a number of statutory functions outlined in the Maritime Act of 1990.

For more information, please visit :

www.cluster-maritime.lu

www.maritime.lu

THE MARITIME SECTOR AT A GLANCE

Luxembourg Maritime Authority: a customer-minded one-stop shop

ISO 9001 certified, Technical expertise

The ship register is a success-story

Continuously increasing number of ships; 265 registered ships in 2014, gross Tonnage of the fleet: 4 millions gross register tons, Major shipping companies established in Luxembourg, 335 certified shipping companies; Large proportion of state-of-the-art vessels, average age of the fleet: 6.3 years

Well-known quality flag: White List Paris Memorandum of Understanding on Port State Control (one of the main international instruments in the continuous fight against sub-standard vessels), the STCW white list.

Luxembourg Maritime Cluster: A Strong Shipping Community

Easy networking and sharing of knowledge.

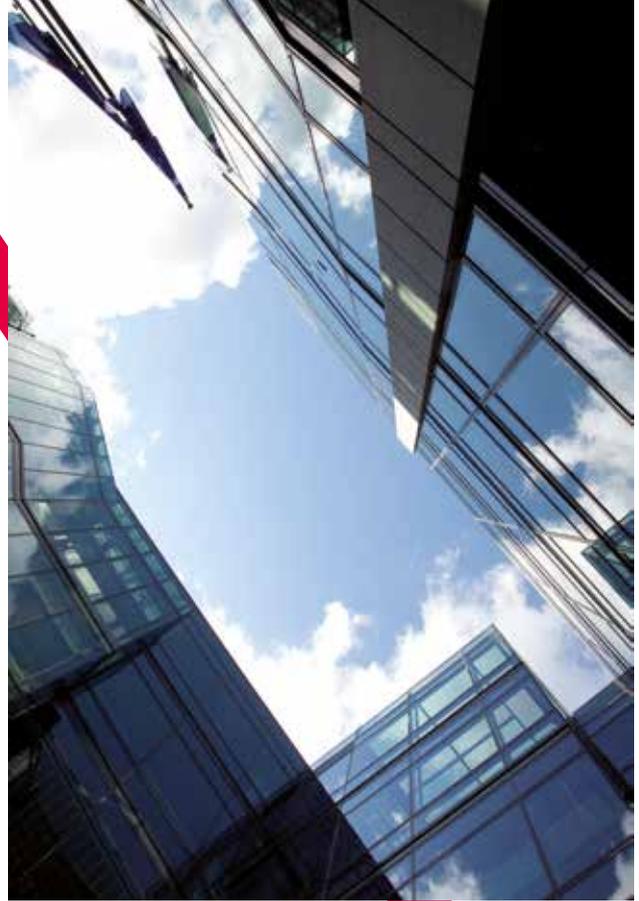


FUNDING SERVICES

Business is expanding beyond its initial geographic boundaries at increasing rates, therefore, having the best location for global and regional headquarters or shared services is more crucial than ever. Luxembourg **has an abundant expertise** in this area and its small size requires it to have an outward-looking mentality, which is augmented by its multilingual and multicultural workforce. Luxembourg operates against the backdrop of a stable political and social climate, supported by firm and carefully applied legislation and regulation.

Having **one of the lowest debts and deficits in the EU**, Luxembourg's social stability ensures that coalition governments define policies fostering a stable business and friendly environment.

Thanks to Luxembourg's finance and banking sector, logistics companies in Luxembourg benefit from **an easy access to financial and advisory services** to support their business development in Luxembourg.



LEAN AND GREEN

Sustainable development is gaining importance in the Logistics sector. The Ministry of Sustainable Development and the Cluster for Logistics collaborates with Logistics in Wallonia to implement the LEAN and GREEN Label for logistics companies operating in Luxembourg. If a Luxembourg-based company can demonstrate through an action plan that it is able to reduce its CO₂ emissions by 20% in five years' time, it becomes eligible for the **LEAN and GREEN Award**. In the link indicated below you can find the presentations. When the action plan objective is actually achieved, the organisation is awarded its first Lean and Green Star.

LEAN and GREEN is an international stimulation program for businesses and authorities, implemented by Connekt: a Dutch non-profit network promoting sustainable mobility. It encourages businesses and government bodies to move to a higher level of sustainability, by taking measures that not only yield cost savings, but reduce the burden on the environment at the same time. Through the LEAN and GREEN Award, organisations can demonstrate their active engagement in making logistics and mobility processes more sustainable.



LE GOUVERNEMENT
DU GRAND-DUCHÉ DE LUXEMBOURG
Ministère du Développement durable
et des Infrastructures

For more information:

www.lean-green.eu

www.clusterforlogistics.lu

THE FOUNDING MEMBERS

The Cluster for Logistics Luxembourg a.s.b.l. has been created on March 27th 2009 under the initiative of the Ministry of Economy and Foreign Trade and the Luxembourg Chamber of Commerce.

The founding members are:



Chambre de Commerce



Confédération
luxembourgeoise du
commerce



Cluster maritime
luxembourgeois



Fedil - Business Federation
Luxembourg



Luxinnovation



University of Luxembourg



LIST



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