



# CHALLENGES FACING EUROPEAN FREIGHT VILLAGES

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Introduction

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Benefits & Drawbacks of Freight Villages

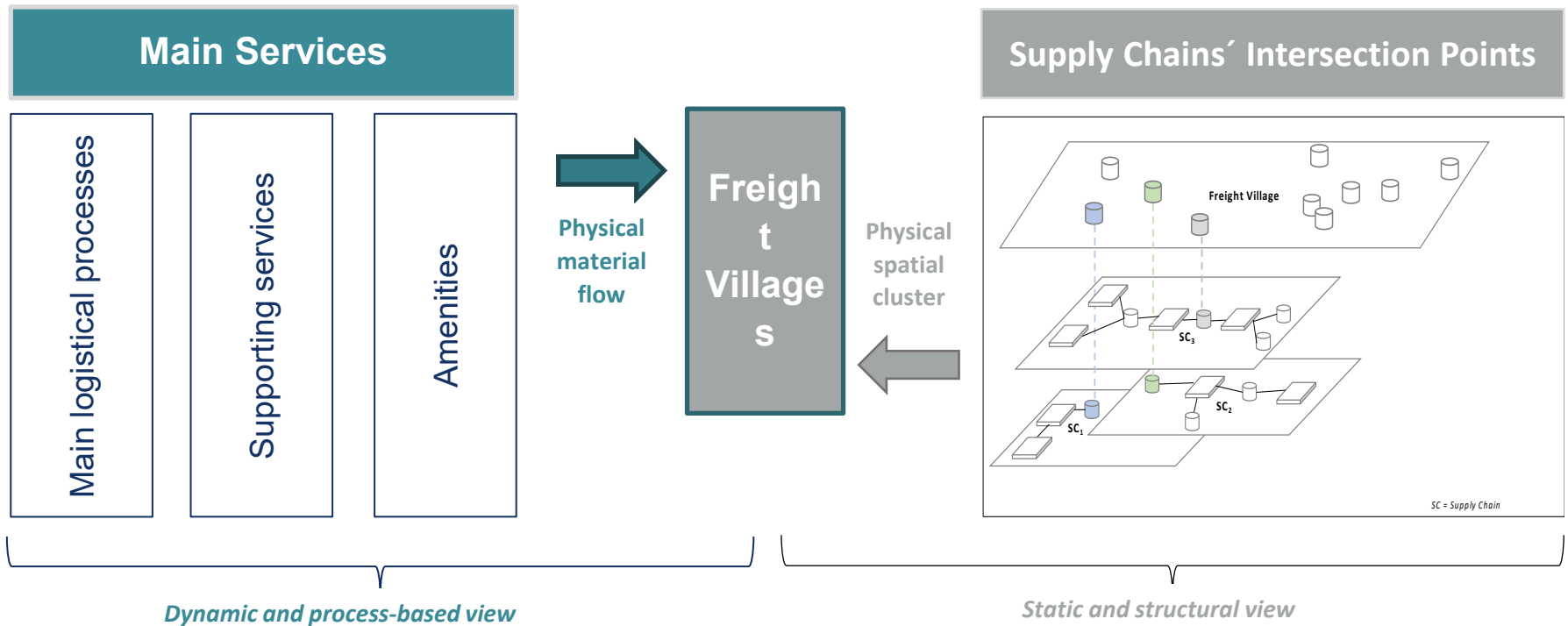
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Challenges for Freight Villages

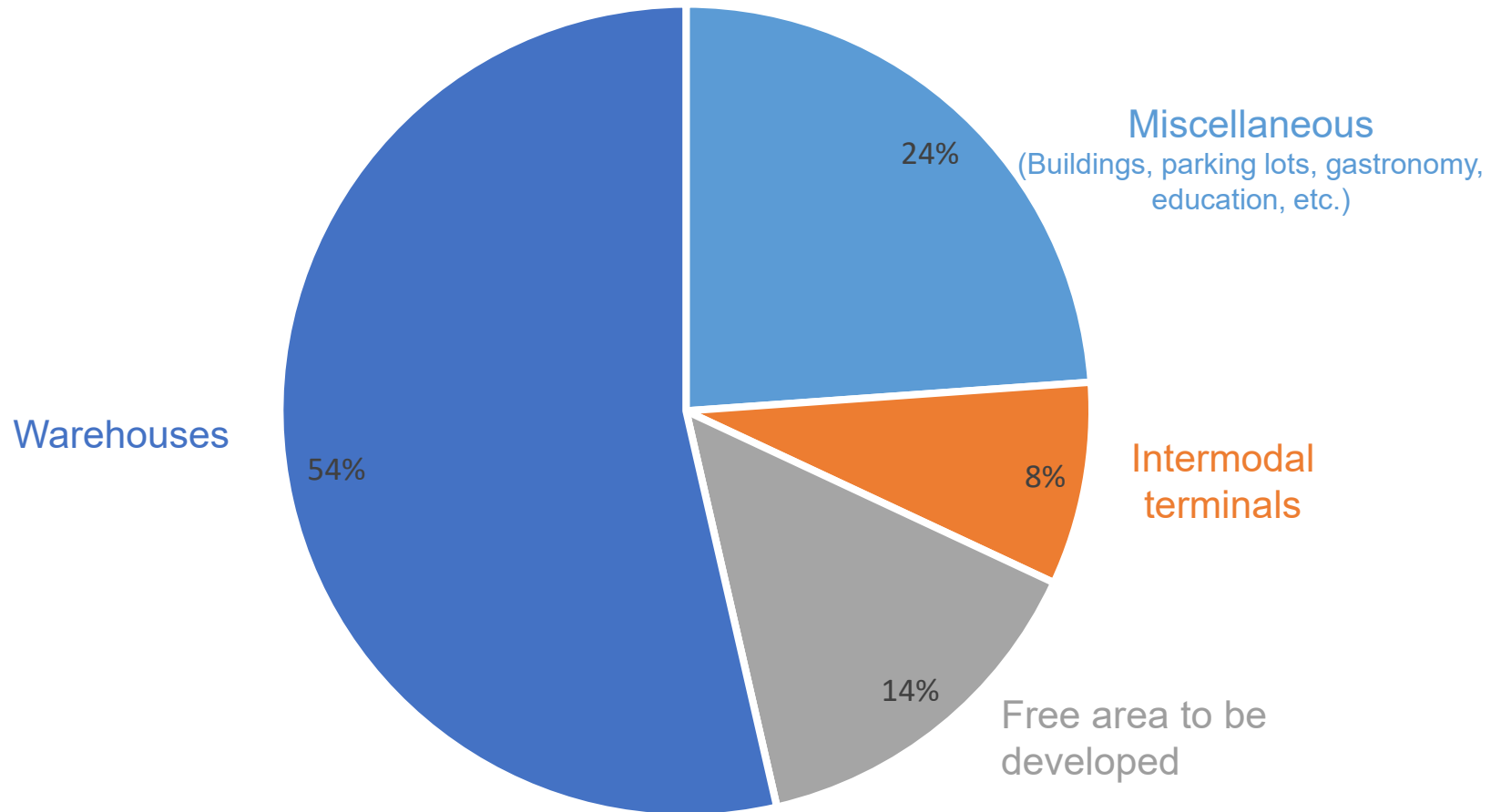
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Conclusion

Industrial zones with good connections to the transportation network where freight-intensive businesses operate and main logistical operations are carried out



A Freight Villags is the geographical intersection point of supply chains covering different stages of different companies



## *Effects on the Economy*

- New employment vs. employment shift
- Economic development vs. the role of public support

## *Effects on the Environment*

- Traffic reduction vs. traffic shift
- Less congestion vs. congestion shift
- CO2 emissions vs. increase thru increased road traffic

# CRITICAL ANALYSIS OF FREIGHT VILLAGES PRIVATE SECTOR

## *Operational Efficiency*

- Increased productivity for operators vs. low operational profitability
- Ability to make direct connections to relatively distant points vs. standardization issues across borders
- Shortening lead times vs. inflexibility and delays on railways

## *Synergy effects*

- Creating synergy between companies operating within the FV vs. unforeseeable risks in such collaborations
- Provision of better warehouse space vs. large investments
- Intermodal transportation vs. bottlenecks at terminals
- Easy service accessibility vs. service costs

## Regulations



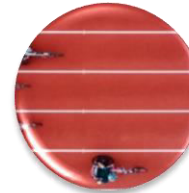
- Design holistically
- Regulations in favor of operations

## Growth



- Address regional needs
- Attract pioneer companies
- Multimodality

## Creating own competition



- Restrict access
- offer privileges for FV tenants

## Financing & Funding

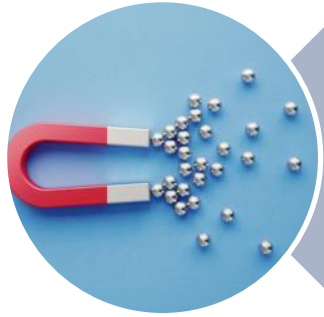


- Importance of public funds
- Design realistically, not wishfully

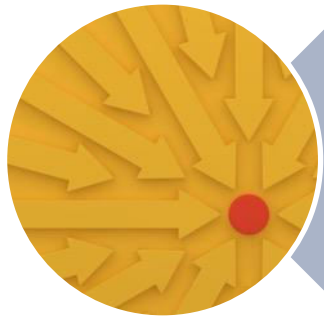
## Cannibalization



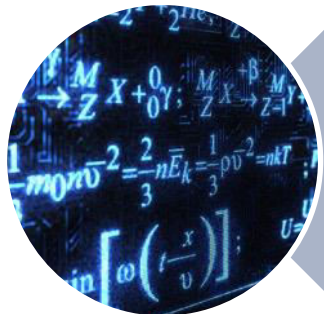
Define unique selling propositions



FVs are driving forces for regional development



FVs offer unique opportunities but public support is key

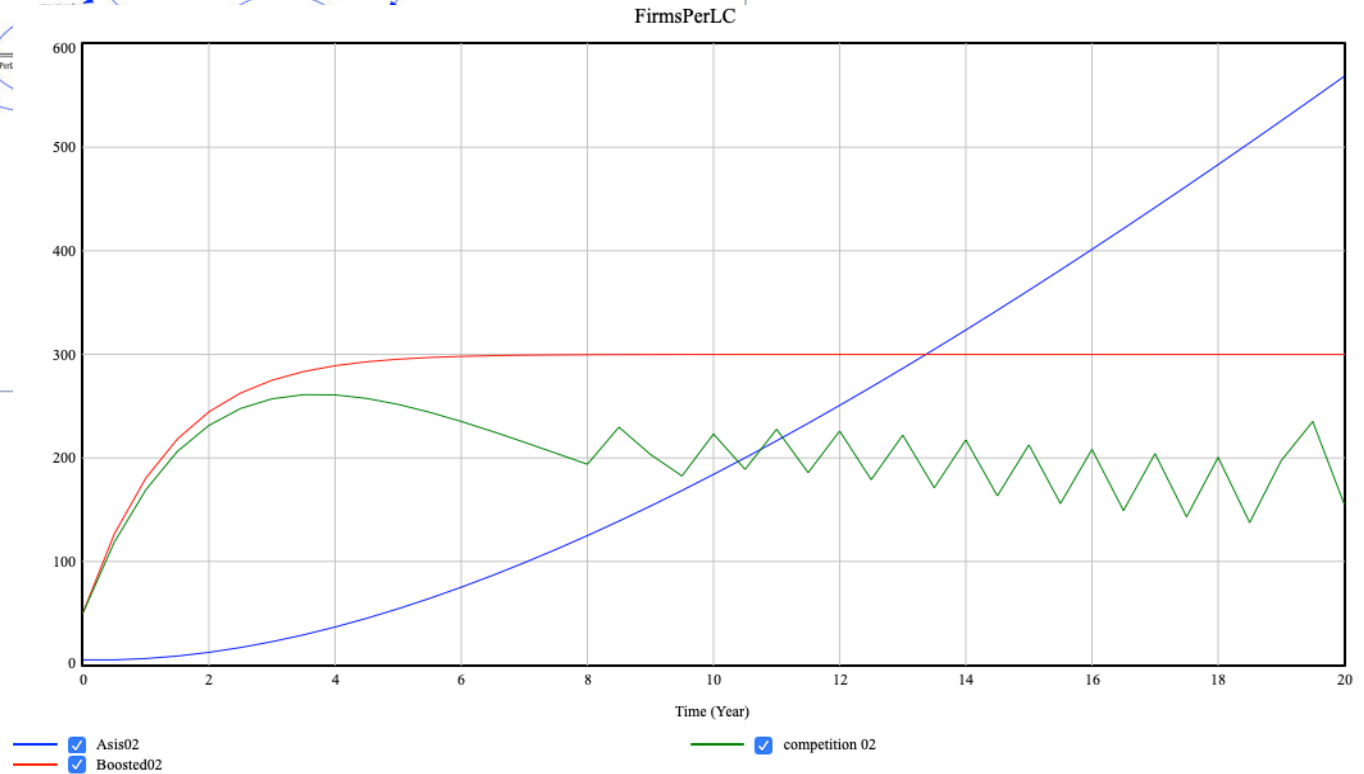
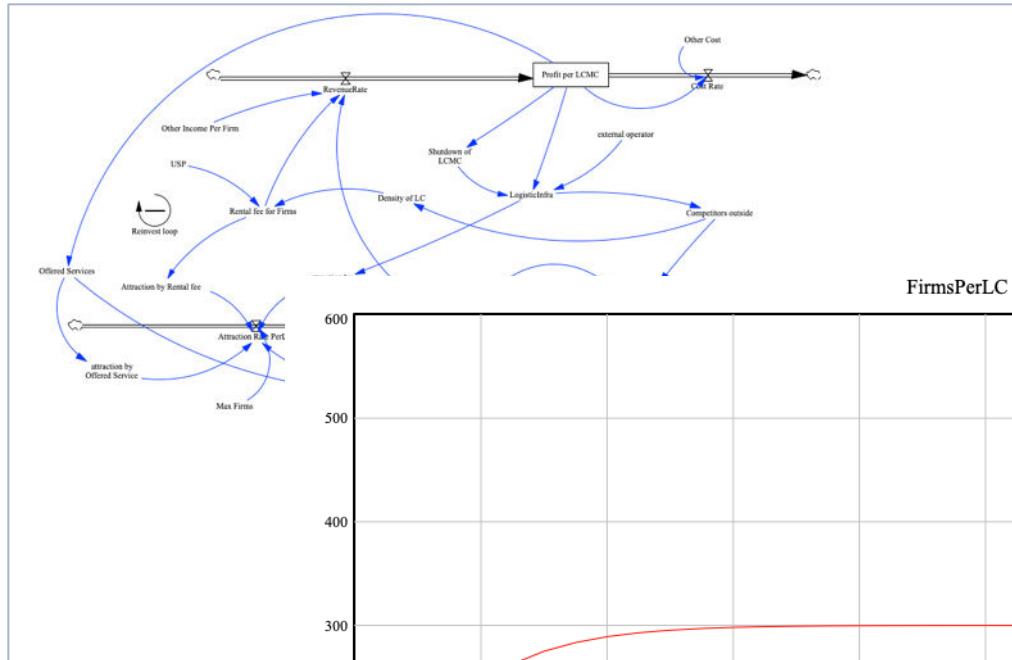


Challenges mainly go back to poor planning & management





**THANK YOU!**



<b>Drawbacks for the Public Sector</b>	<i>Effects on the Economy</i>	<i>Operational Efficiency</i>	<b>Drawbacks for the Private Sector</b>
	<ul style="list-style-type: none"> <li>• Employment growth is a result of spatial shift</li> <li>• Difficult to influence economic indicators without public support</li> </ul>	<ul style="list-style-type: none"> <li>• Low profitability from intermodal operations</li> <li>• Lack of standardization of modes between countries</li> <li>• Inflexibility, costs and reliability of railway is a problem</li> </ul>	
	<i>Effects on the Environment</i>	<i>Synergy Effects</i>	
	<ul style="list-style-type: none"> <li>• increased congestion around intermodal terminals</li> <li>• The position of congestion has shifted (it has entered the FV)</li> </ul>	<ul style="list-style-type: none"> <li>• Synergies are the direct result of bilateral horizontal cooperation</li> <li>• Cooperations involve high risk</li> </ul>	