

# Benchmark Study

## Le Havre – Antwerp – Rotterdam

July 2003

- 1 – Operational Costs**
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- 3 – Land Availability & Costs**
- 4 – Investment Incentives**
- 5 – Productivity**
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# 1 – Operational Costs



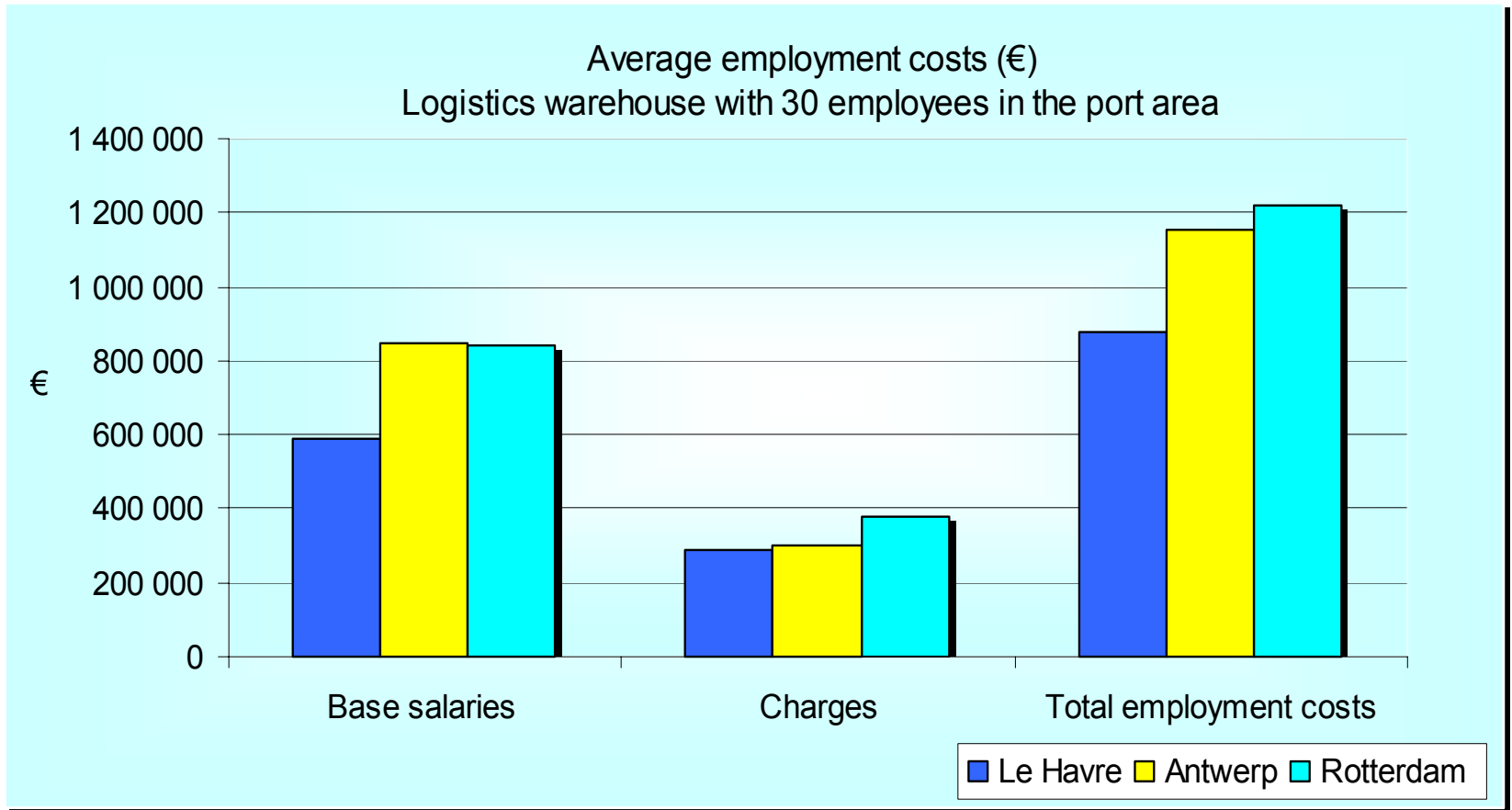
**Logistics warehouse with 30 employees in the port area  
(cost = average base salaries + charges, rounded up to closest 500€/year)**

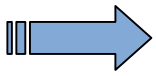
Job Title	nb jobs	LE HAVRE		ANTWERP		ROTTERDAM	
		per job	total jobs	per job	total jobs	per job	total jobs
Head of logistics and Purchasing	1	59 500	59 500	63 500	63 500	82 500	82 500
Logistics Manager	1	41 000	41 000	46 000	46 000	69 500	69 500
Distribution Manager	1	40 000	40 000	46 000	46 000	72 500	72 500
Purchasing Manager	1	40 000	40 000	46 000	46 000	76 500	76 500
Purchasing Assistant	1	26 500	26 500	38 000	38 000	37 000	37 000
Computer Operations Specialist	3	35 500	106 500	50 000	150 000	46 500	139 500
Office Administrator	5	36 500	182 500	38 000	190 000	35 000	175 000
Forklift Driver	6	21 000	126 000	32 500	195 000	34 000	204 000
Warehouse Manager	1	36 500	36 500	45 000	45 000	36 500	36 500
Supervisor "Pick and Pack"	2	25 000	50 000	36 000	72 000	34 000	68 000
Pick and Pack Worker	8	21 000	168 000	32 500	260 000	32 000	256 000
<b>Total</b>	<b>30</b>		<b>876 500</b>		<b>1 151 500</b>		<b>1 217 000</b>

<b>Le Havre = Base 100</b>	<b>100%</b>	<b>131%</b>	<b>139%</b>
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Charges = employer's payroll costs such as social security, pension premiums, insurance and other taxes (gross estimates Le Havre 48,5%, Antwerp 33-38%, Rotterdam 45%)





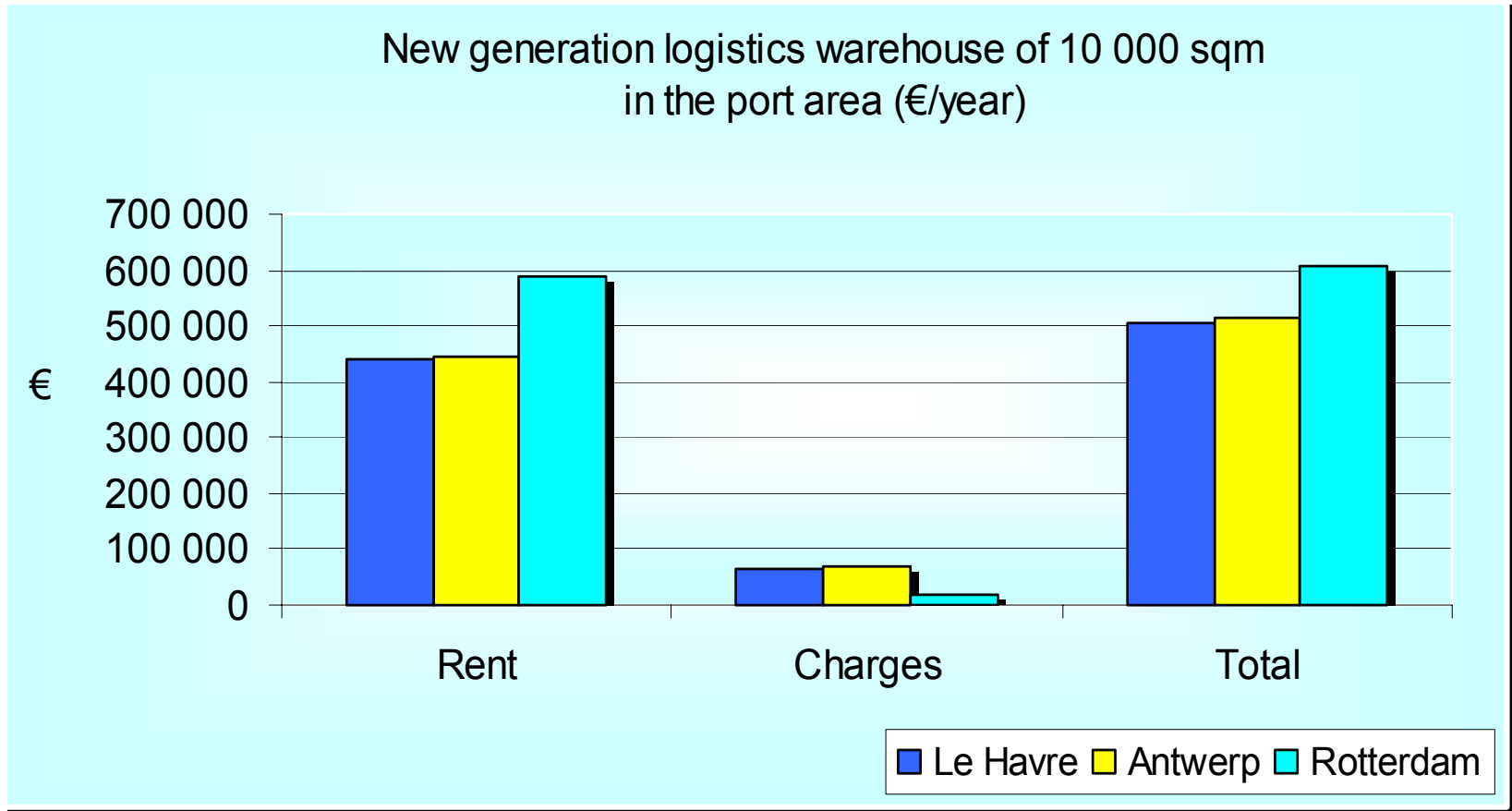


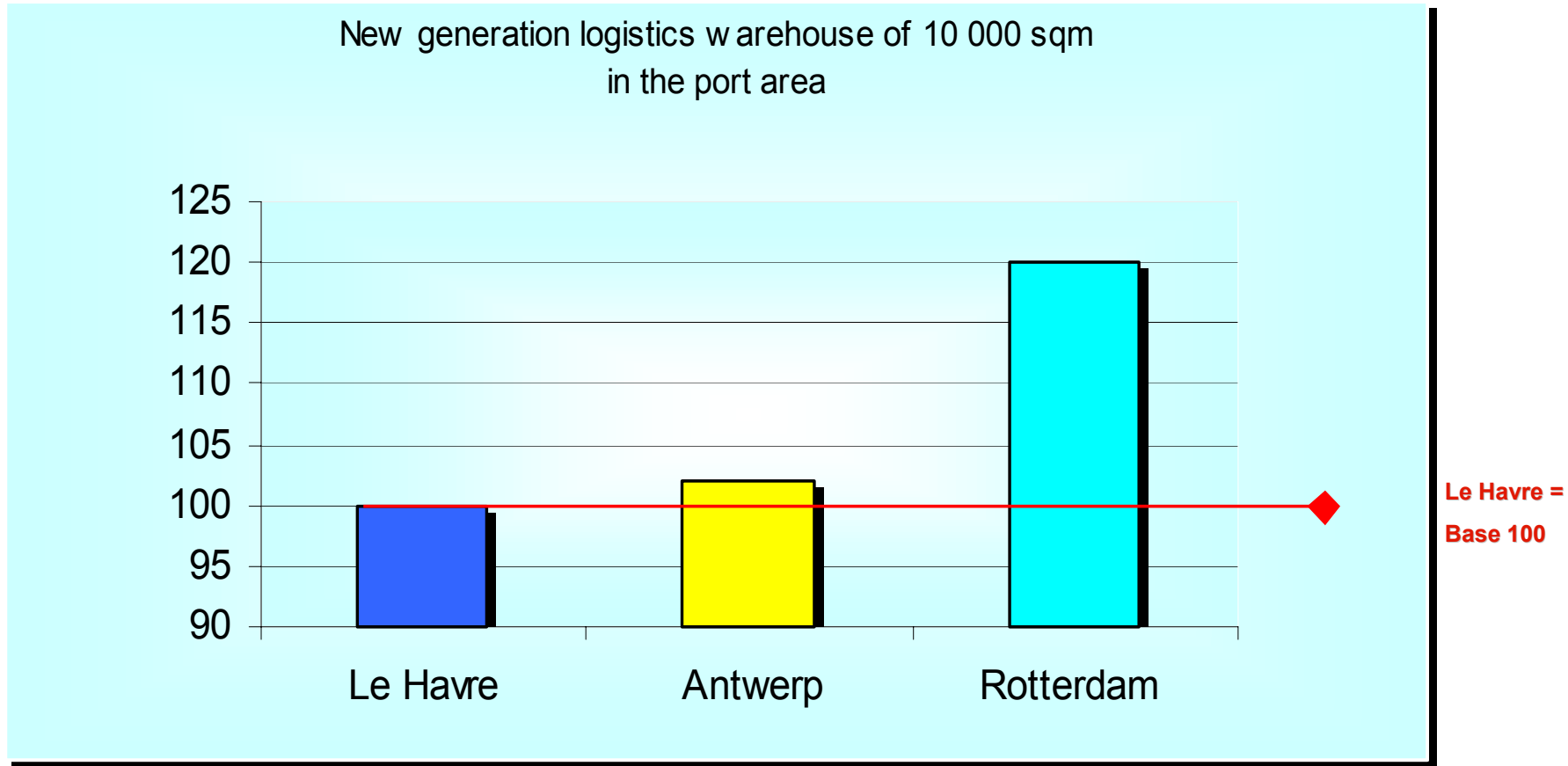
## New generation logistics warehouse of 10 000 sqm in the port area (rent + charges, in €/year)

	LE HAVRE	ANTWERP	ROTTERDAM
Rent	442 100	446 500	590 000
Rental charges*	63 200	70 000	17 700
<b>Total</b>	<b>505 300</b>	<b>516 500</b>	<b>607 700</b>
<b>Le Havre = Base 100</b>	<b>100%</b>	<b>102%</b>	<b>120%</b>

Rental charges include property management, maintenance and repair charges, but not taxes.

\*In the Netherlands, the long term charges are supported by the landlord and included in the rent: tenants pay for short term charges at an average of 2-3.5%, depending on the configuration an service provided in the building/business park (for the purpose of this benchmark/type of property, we have taken an average figure of 3%).





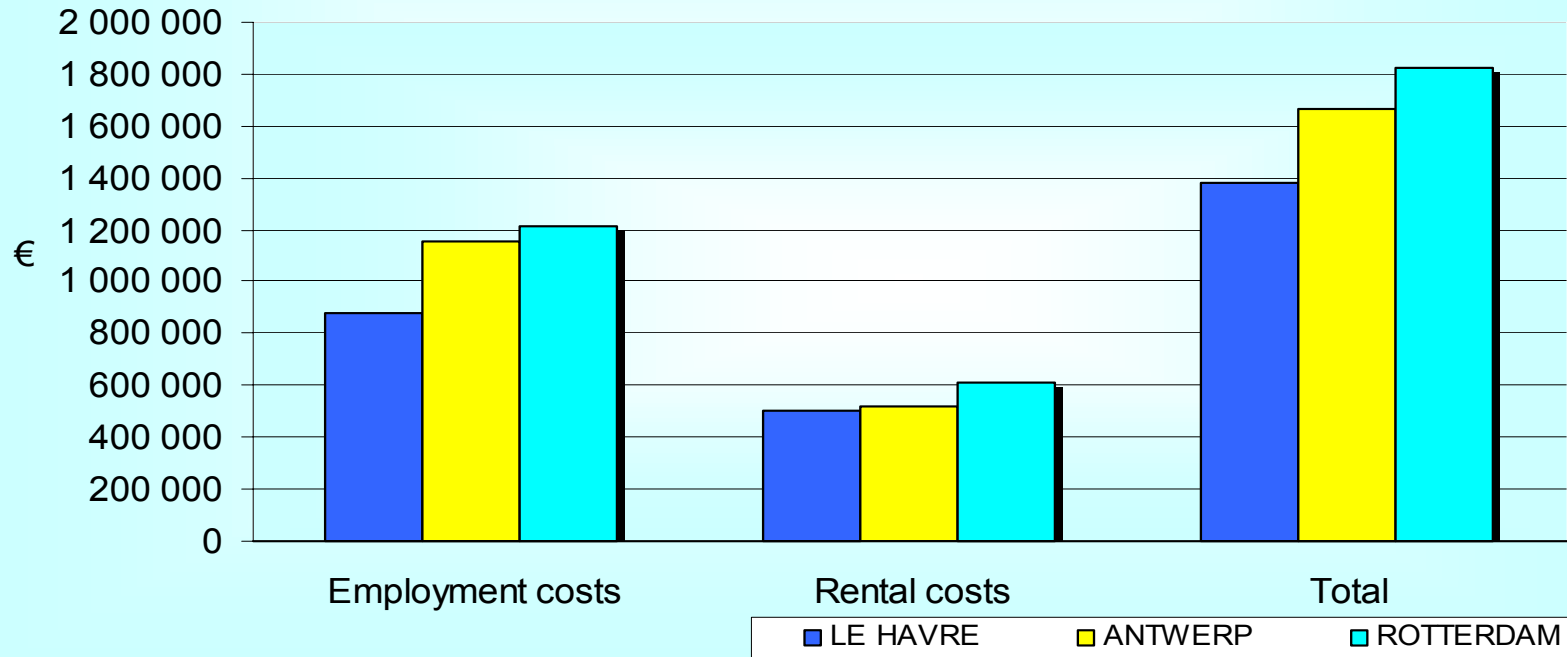


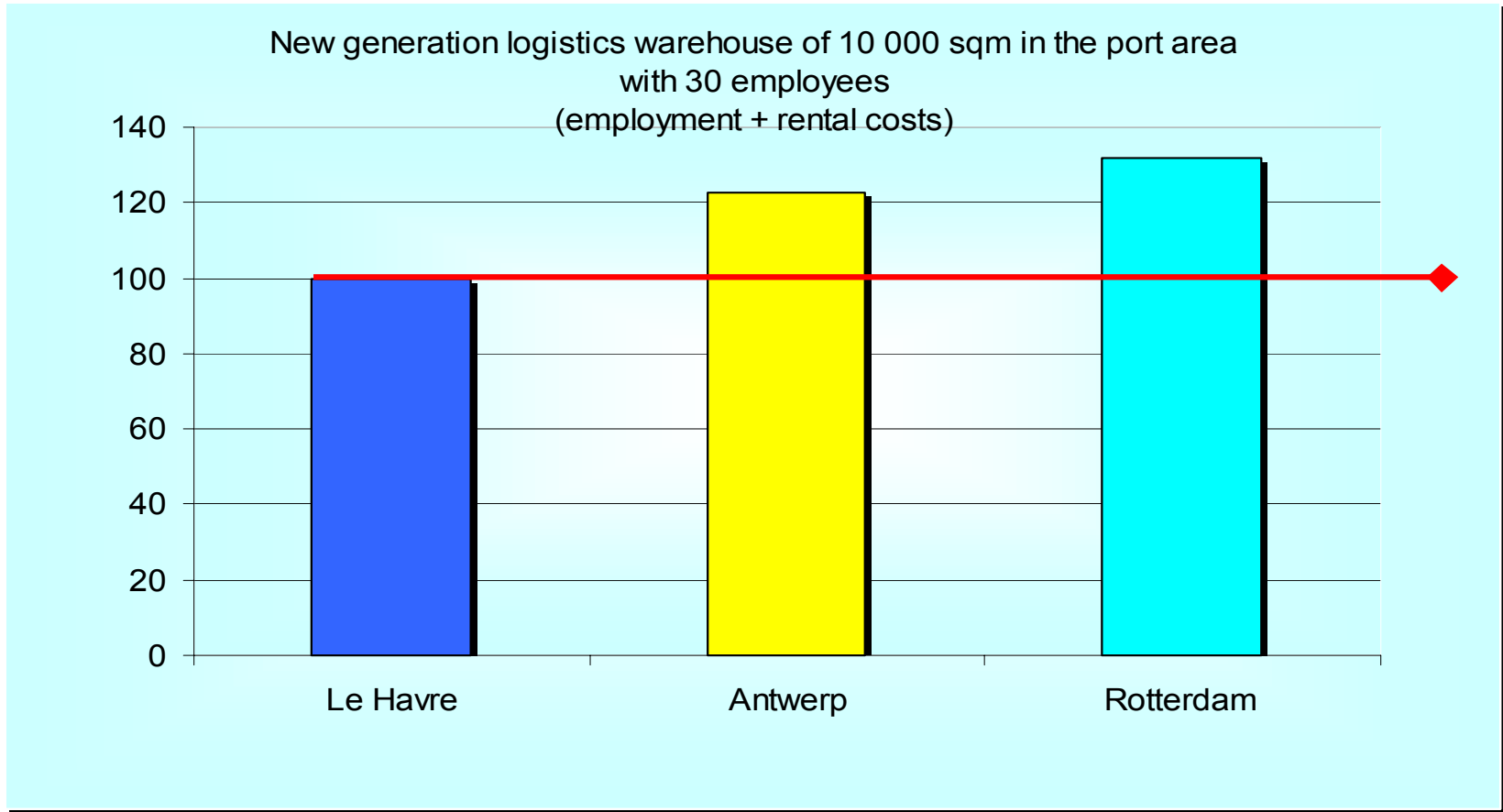
New generation logistics warehouse of 10 000 sqm in the port area with 30 employees  
(employment + real estate costs, in €/year)

	LE HAVRE	ANTWERP	ROTTERDAM
Employment costs	876 500	1 151 500	1 217 000
Rental costs	505 300	516 500	607 700
<b>Total</b>	<b>1 381 800</b>	<b>1 668 000</b>	<b>1 824 700</b>
<b>Le Havre = Base 100</b>	<b>100%</b>	<b>121%</b>	<b>132%</b>



New generation logistics warehouse of 10 000 sqm in the port area  
with 30 employees  
(employment + rental costs, in €/year)





## 2 – Labor

**LE HAVRE****ANTWERP****ROTTERDAM****Unemployment levels**

Local
Regional

%	= Base 100
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11,60%	100%
10,00%	100%

%	// Havre
---	----------

11,10%	96%
6,90%	69%

%	// Havre
---	----------

6,70%	58%
5,60%	56%

**Qualification levels**

Lower secondary
Intermediary
Tertiary

% all skills	= Base 100
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43%	100%
39%	100%
33%	100%

% all skills	// Havre
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40%	93%
32%	82%
42%	127%

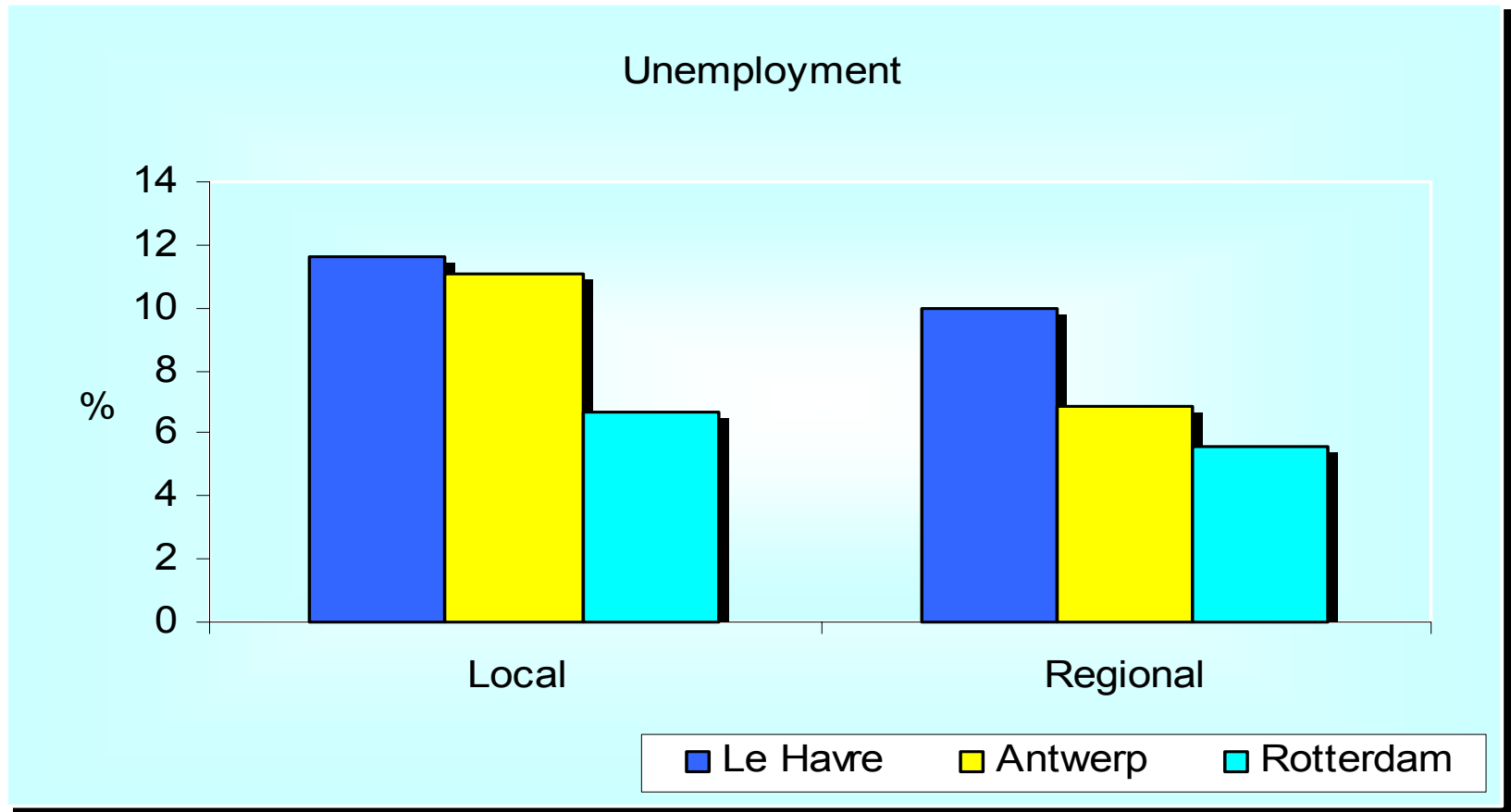
% all skills	// Havre
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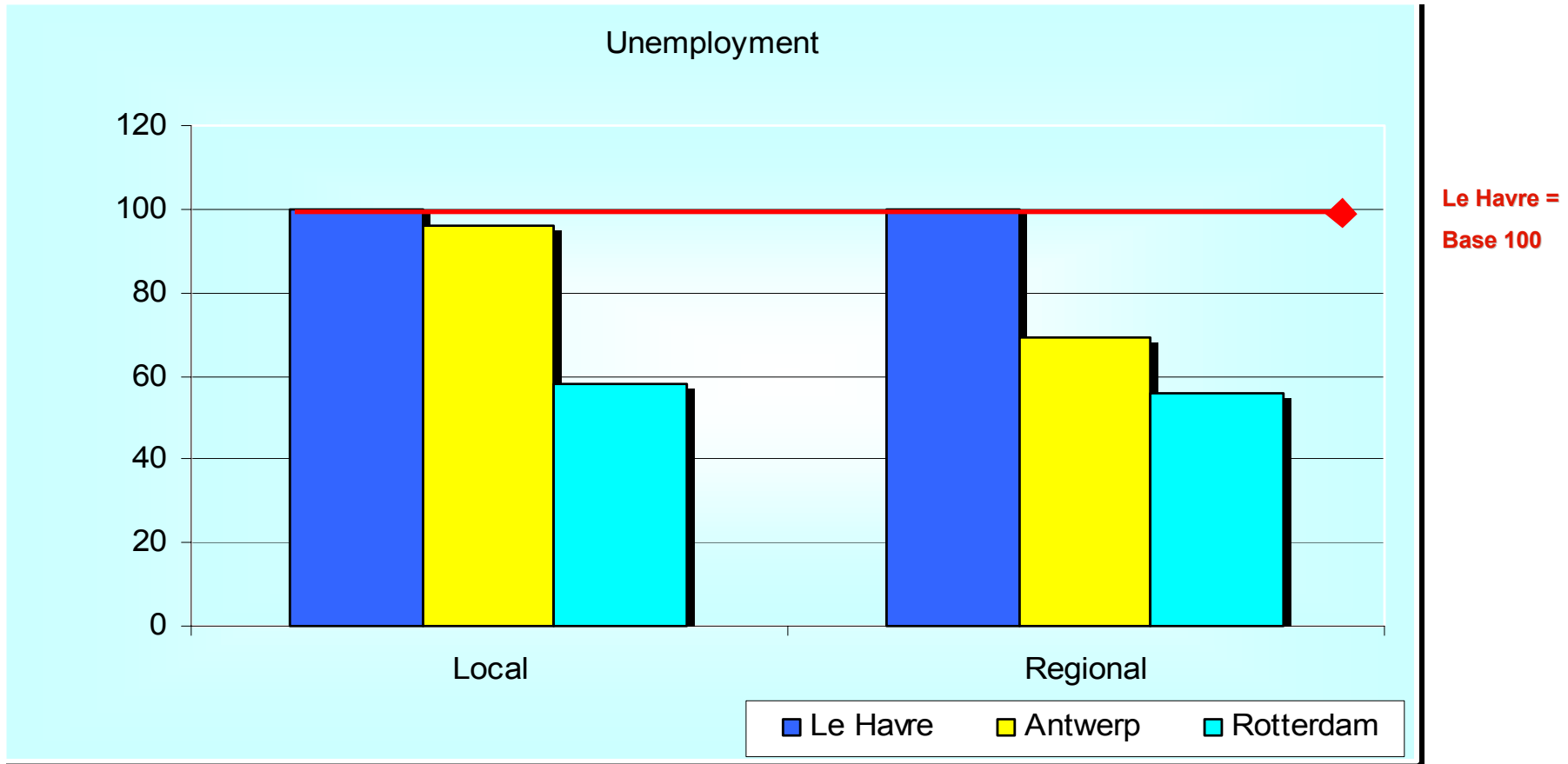
16%	37%
29%	74%
26%	79%

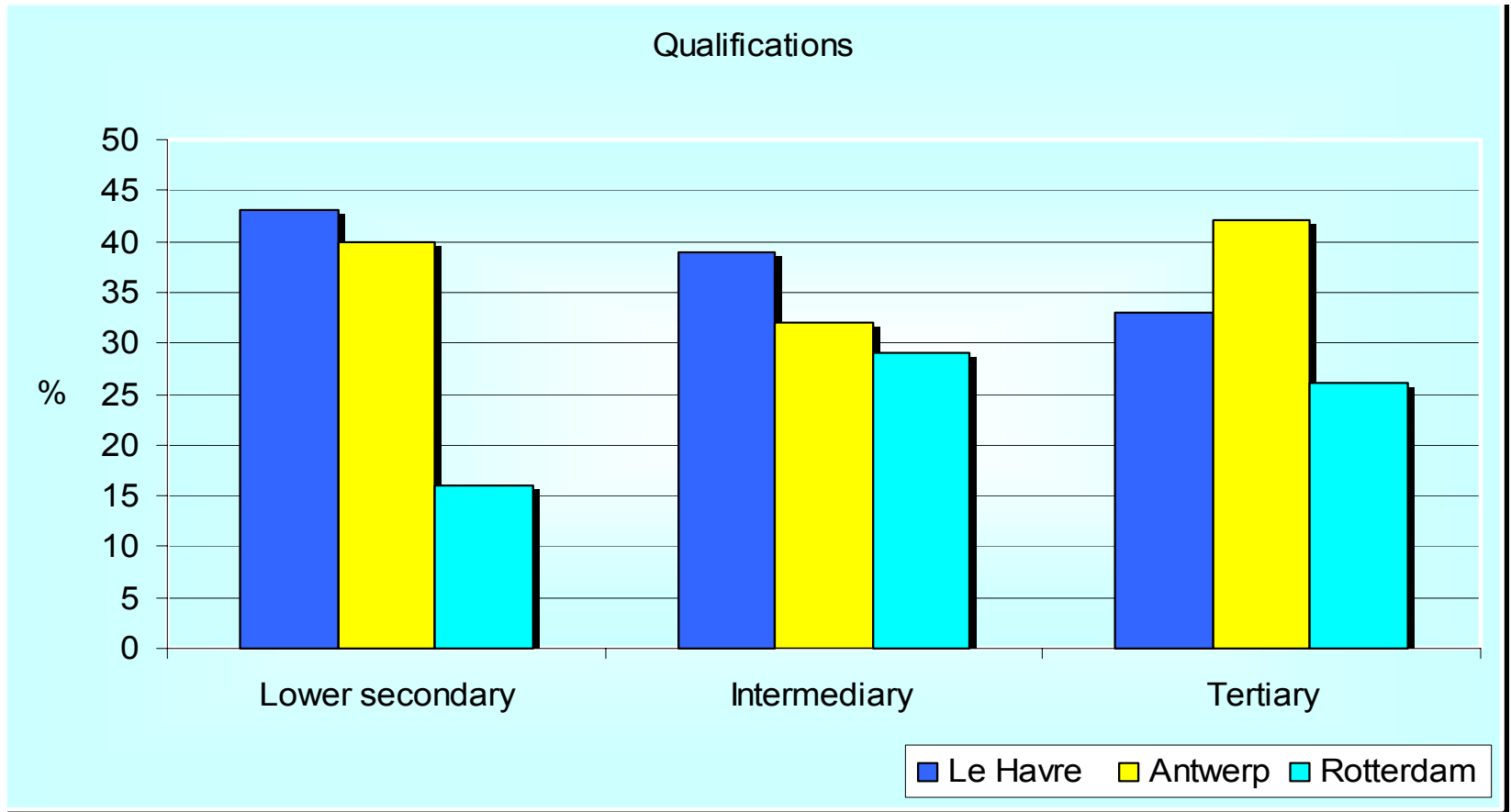
« Lower secondary » = left school at 16, « Intermediary » = has a school certificate (left around 18), « Tertiary » = has a higher education degree

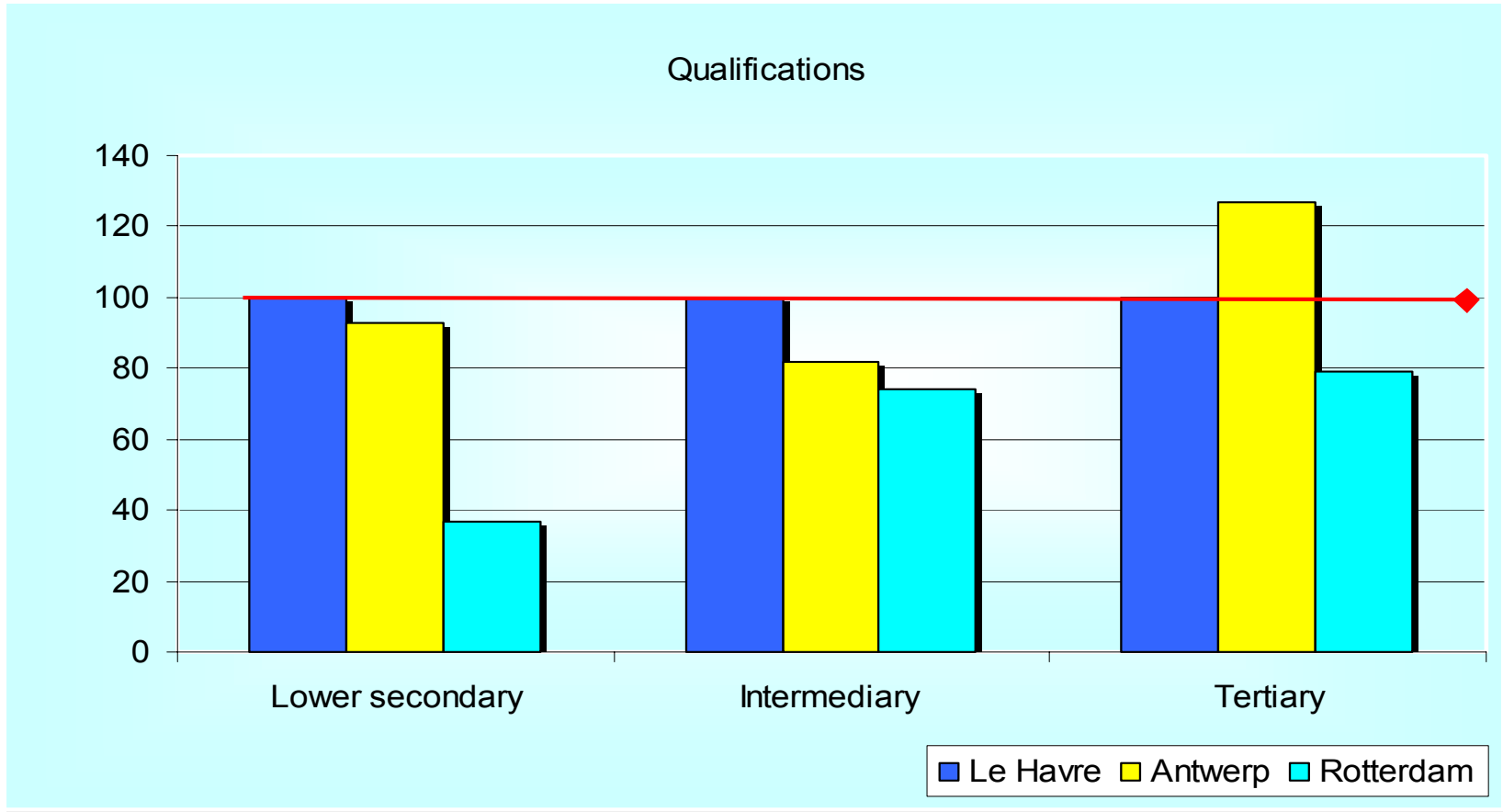
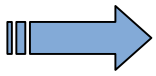
Statistics apply to the regional areas=Le Havre/Haute Normandie, Antwerp/NUTS2 and Rotterdam/Zuid Holland

Numbers for qualifications do not add up to 100% because some qualifications may apply to more than one level or may not apply





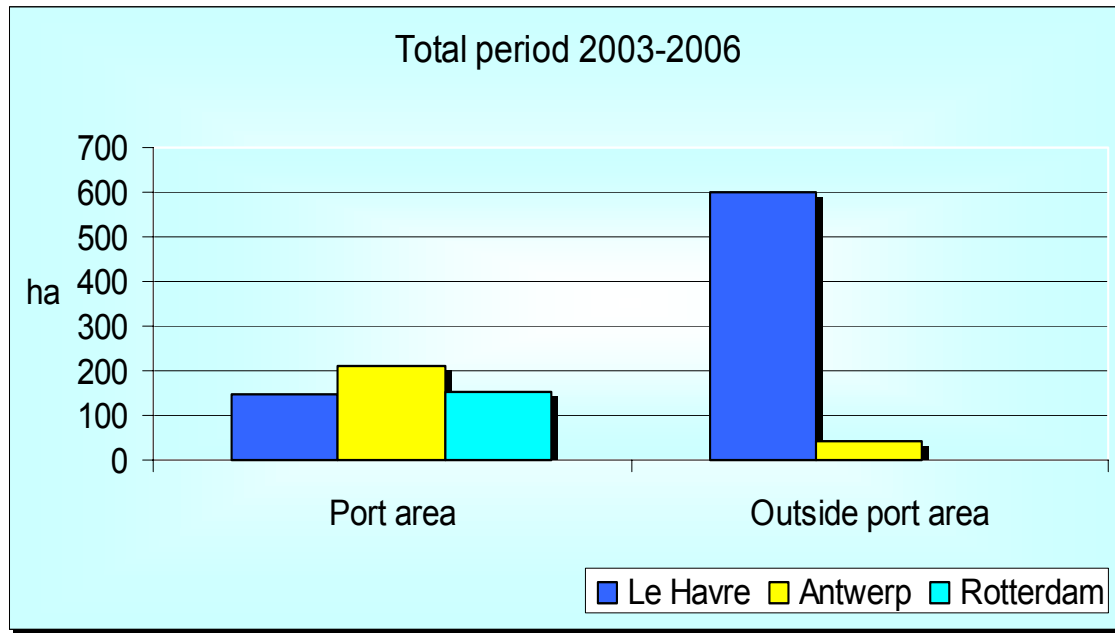




## 3 – Land Availability & Costs



	LE HAVRE				ANTWERP				ROTTERDAM			
	2003	2004	2005	2006	2003	2004	2005	2006	2003	2004	2005	2006
Port area	100	45			60		150		55			100
Outside port area (30km radius)	50	250	200	100	2			40				





LE HAVRE	ANTWERP	ROTTERDAM
Port area (leasehold)		
1,8-3,4 €/m <sup>2</sup> /year	2,83 €/m <sup>2</sup> /year	3-5 €/m <sup>2</sup> /year

Prices based on unprepared land.

Usually, land in port areas cannot be bought but is leased for long periods, of 20-50 years.

In some cases (such as Rotterdam), all rent is due for the duration of the leasehold if early departure.

Outside port area - 30km radius (purchase cost)		
18 €/m <sup>2</sup>	33-45 €/m <sup>2</sup>	75-225 €/m <sup>2</sup>

## 4 – Investment Incentives



	LE HAVRE	ANTWERP	ROTTERDAM
Land & Buildings	✓ ✓ ✓	✓ ✓	✓
Lease contracts	✓ ✓ ✓	✓	
Equipment	✓ ✓ ✓	✓ ✓	
Job creation & training	✓ ✓ ✓	✓ ✓ ✓	✓
	Le Havre benefits from the highest level of local, regional and national aid and incentives.	Antwerp benefits from a good level of aid and incentives, all available through the Flanders Government.	Rotterdam promotes itself on its productivity, local skills and critical mass vs financial incentives. There is some aid available but mainly on a project basis.



	Land & Buildings	Lease Contracts	Equipment	Job Creation & Training
<b>Le Havre</b>	Grants for industrial buildings are available from local authorities through property leasing transactions. Leasing costs can be reduced by 23%.	Local authorities can finance up to 100 000 € over 3 years (SME only).	National/regional help available through DRIRE, SME only: up to 33% of costs.	Job creation: cash grants are available, up to 5 000 € per job created. Conditions: <ul style="list-style-type: none"> <li>- if company creation: a minimum of 15 jobs must be created within 3 years</li> <li>- if extension: minimum increase of 30 jobs or 50% of workforce.</li> </ul>
Grants have no upper limit but are subject to maximum rates of 23% (LC)-33% (SME) of the investment program.				
<b>Antwerp</b>	Cash grants are available for investment in buildings, equipment and intangible assets up to 15% of total approved investment for SME and 7,5% for LC. Minimum investment required is 20 000 €.	Potential levy of the real estate taxes. Determined on a project basis.	(see Land & buildings)	Job creation: <ul style="list-style-type: none"> <li>- Reduction in social security charges available, up to 375 €/employee for 15 months or 250 € for 48 months (up to 1 115 €/employee for 12 months if low educated staff in start jobs).</li> <li>- Wage subsidy up to 500 €/employee for 12 to 36 months, depending on employee age and duration of contract.</li> </ul> Training: variety of aids which cannot be cumulated, eg: <ul style="list-style-type: none"> <li>- salary grants for general and specific training</li> <li>- salary grants for hiring-training unemployed people</li> <li>- training checks.</li> </ul>
<b>Rotterdam</b>	E.U./national aid available on a project basis depending on investment amount, jobs created, level of activity and local added value. Grants also available from the Rotterdam Port Authority for building a new warehouse in port area if the company meets specific criteria that fit the port development plans (activity, type of job, number of containers, etc). Determined on a project basis.	No incentives available for renting space.	(No incentive identified)	Hiring and training help available through national and regional authorities if the project lowers unemployment. Eligibility and rates are determined on a project basis.
Rotterdam promotes itself on its productivity, local skills and critical mass vs financial incentives, hence the limited information available on a general basis.				

LC = Large Companies

SME = Small & medium size Enterprises of 250 employees and 40M€ turnover maximum

## 5 – Productivity



## Importing textile goods from Asia in TC 40' 1000 cartons & 3 references per container

	LE HAVRE		ANTWERP		ROTTERDAM	
Option 1 : Customs clearance at quay						
Costs	Basis	€/ TC 40'	Basis	€/ TC 40'	Basis	€/ TC 40'
Terminal handling charges	123 €/container	123	111,63 €/container	112	162,5 €/container	163
File handling	20 €/container	20	15 €/container	15	20 €/container	20
Port drayage quay - warehouse - quay	191 €/container	191	184 €/container	184	125 €/container	125
Picking pallet - loading truck	267 €/container	267	249,55 €/container	250	3 €/pallet	120
Unstuffing & palettising	50 €/container	50	1,44/pallet	58	300 €/container	300
Wrapping 40 pallets in plastic film (shrink pallet)	124 €/40 pallets	124	0,21 €/pallet	8	1,25 €/pallet	50
Supply of 40 European standard pallets (120x80) - left with client	213 €	213	10,35 €/pallet	414	6,50 €/pallet	260
Storage of 40 European standard pallets	182 €/month	182	4,50 €/m2	180	3,50 €/pallet	140
Custom full import clearance (IM4)	150 €/document	150	62 €/document	62	65 €/document	65
Taxes (ADEMAR + UMEP)	17 €/container	17	n/a	n/a	n/a	n/a
Outbound fees	n/a	n/a	28,75 €/shipment	29	n/a	n/a
Management and insurance (on declared value of 50 000 €)	1/1 000	50	n/a	n/a	0,50%	250
<b>Total costs</b>		<b>1 387</b>		<b>1 312</b>		<b>1 493</b>
	<b>Le Havre = Base 100</b>		<b>100%</b>		<b>108%</b>	



## Importing textile goods from Asia in TC 40' 1000 cartons & 3 references per container

<b>LE HAVRE</b>	<b>ANTWERP</b>	<b>ROTTERDAM</b>
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<b>Option 2 : Transit through customs warehouse</b>
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Costs
Terminal handling charges
File handling
Port drayage quay - warehouse - quay
Picking pallet - loading truck
Unstuffing & palettising
Wrapping 40 pallets in plastic film (shrink pallet)
Supply of 40 European standard pallets (120x80) - left with client
Storage of 40 European standard pallets
Custom warehouse transit costs (T1)
Taxes (ADEMAR + UMEP)
Outbound fees
Management and insurance (on declared value of 50 000 €)
<b>Total costs</b>

Basis	€/ TC 40'
123 €/container	123
20 €/container	20
191 €/container	191
267 €/container	267
50 €/container	50
124 €/40 pallets	124
213 €	213
182 €/month	182
43 €/document	43
17 €/container	17
n/a	n/a
1/1 000	50
	<b>1 280</b>

Basis	€/ TC 40'
111,63 €/container	112
15 €/container	15
184 €/container	184
249,55 €/container	250
1,44/pallet	58
0,21 €/pallet	8
10,35 €/pallet	414
4,50 €/m2	180
36 €/document	36
n/a	n/a
28,75 €/shipment	29
n/a	n/a
	<b>1 286</b>

Basis	€/ TC 40'
162,5 €/container	163
20 €/container	20
125 €/container	125
3 €/pallet	120
300 €/container	300
1,25 €/pallet	50
6,50 €/pallet	260
3,50 €/pallet	140
25 €/document	25
n/a	n/a
n/a	n/a
0,50%	250
	<b>1 453</b>

Le Havre = Base 100

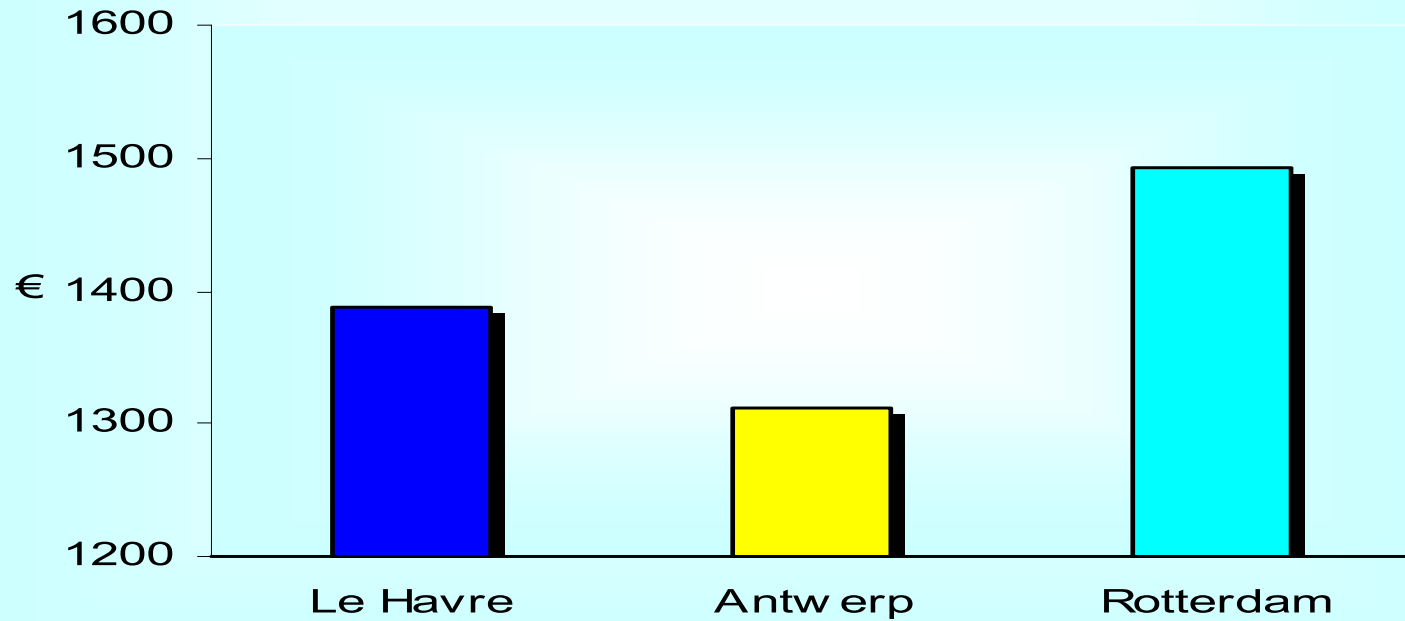
100%

100%

113%

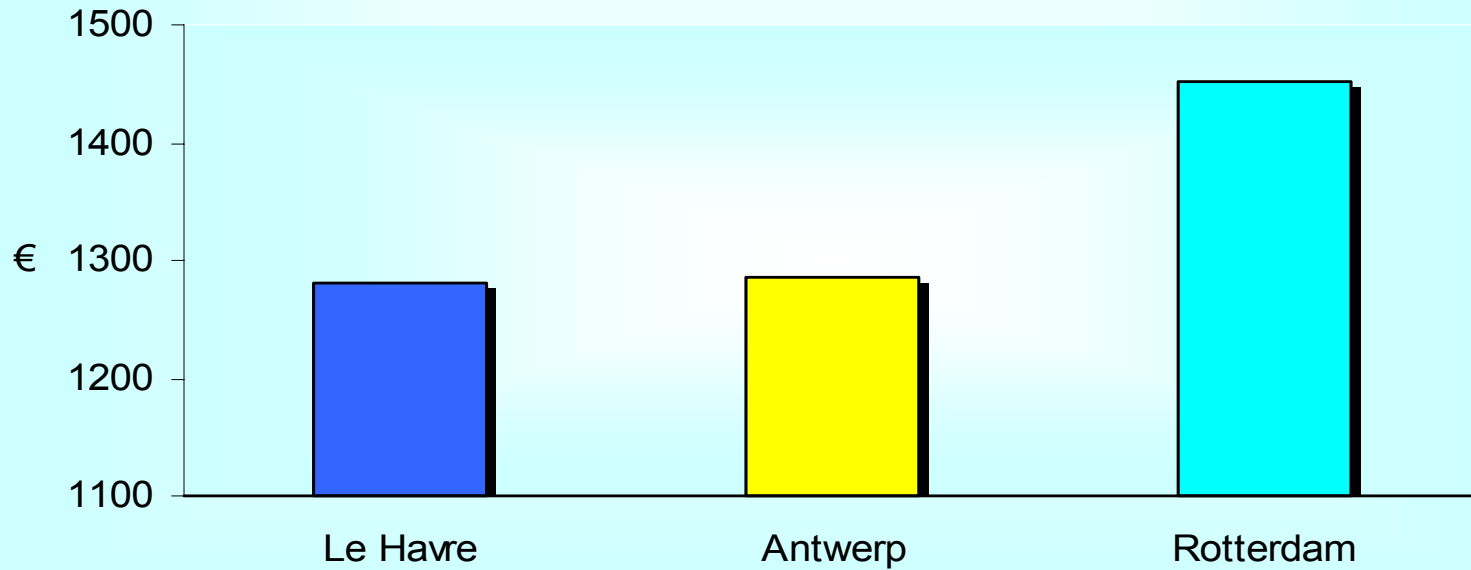


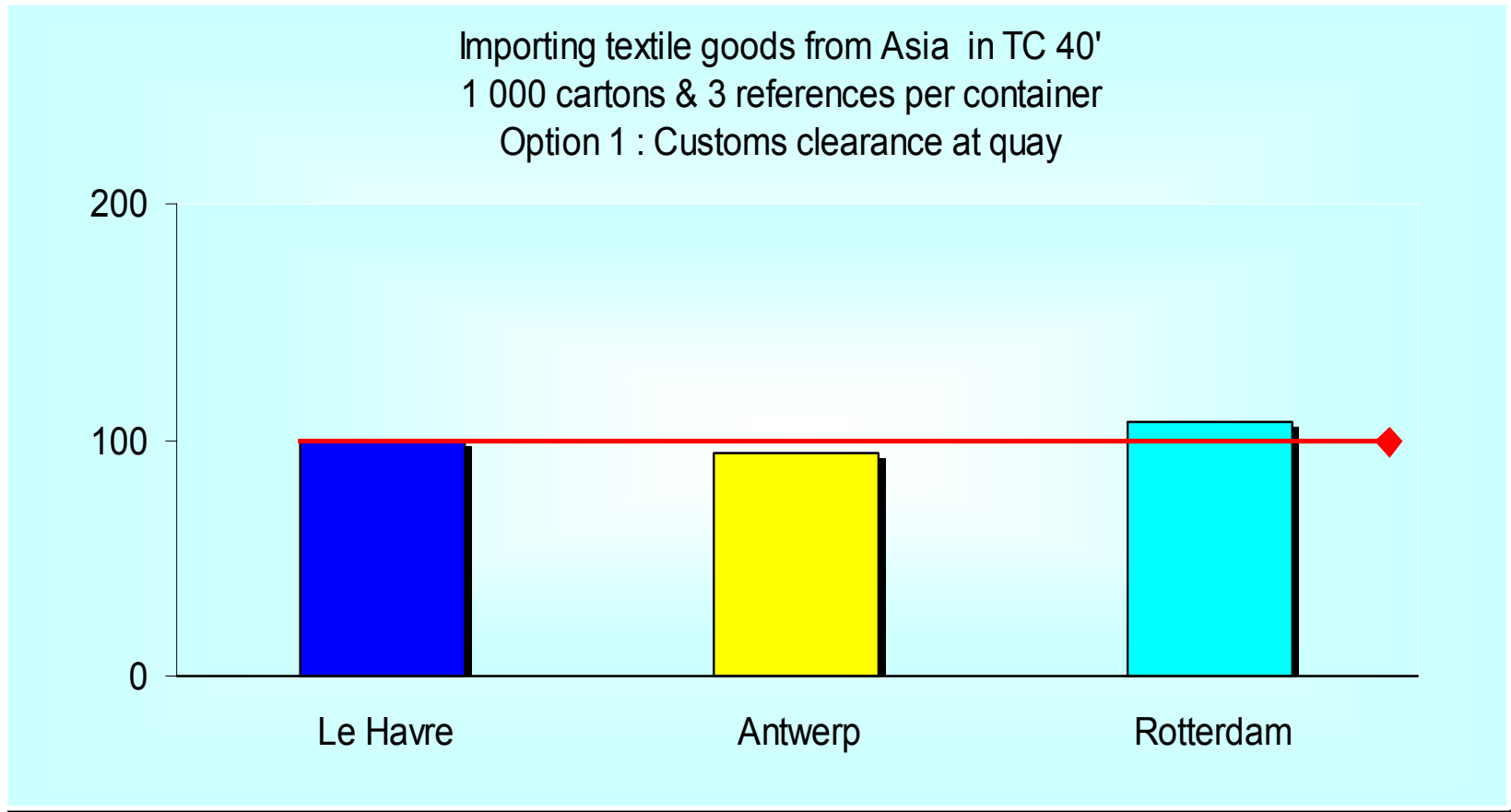
Importing textile goods from Asia in TC 40'  
1 000 cartons & 3 references per container  
Option 1 : Customs clearance at quay





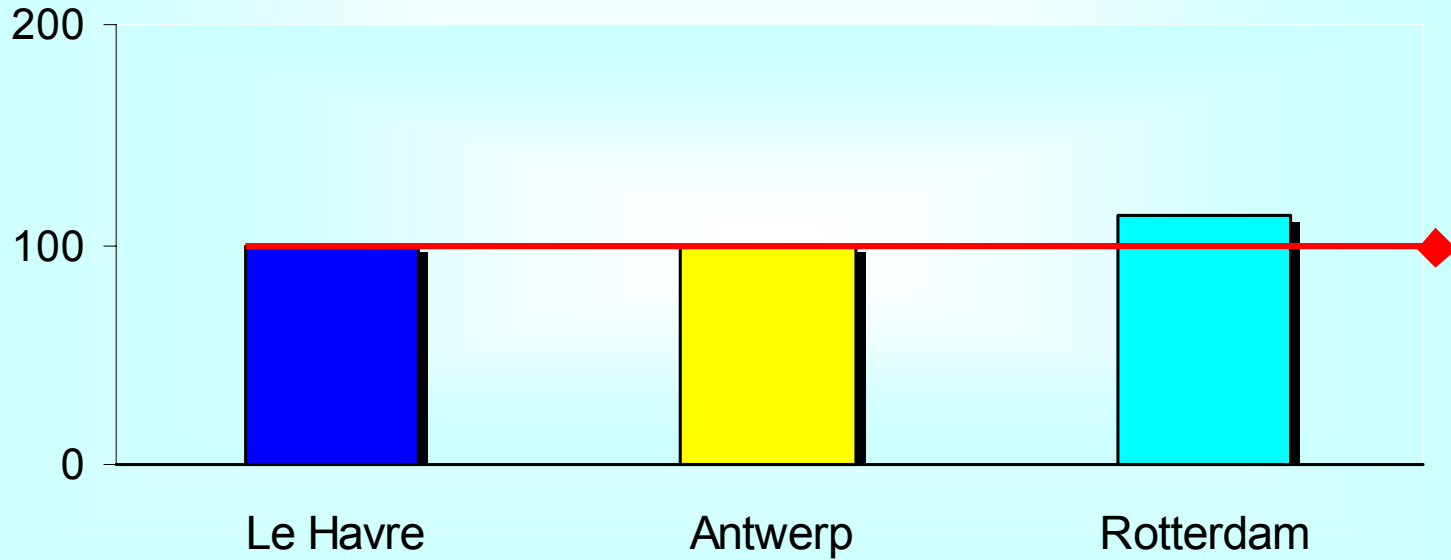
Importing textile goods from Asia in TC 40'  
1 000 cartons & 3 references per container  
Option 2 : Transit through customs warehouse







Importing textile goods from Asia in TC 40'  
1 000 cartons & 3 references per container  
Option 2 : Transit through customs warehouse



Le Havre =  
Base 100



## Textile goods by truck – One-way trip

From :

LE HAVRE

ANTWERP

ROTTERDAM

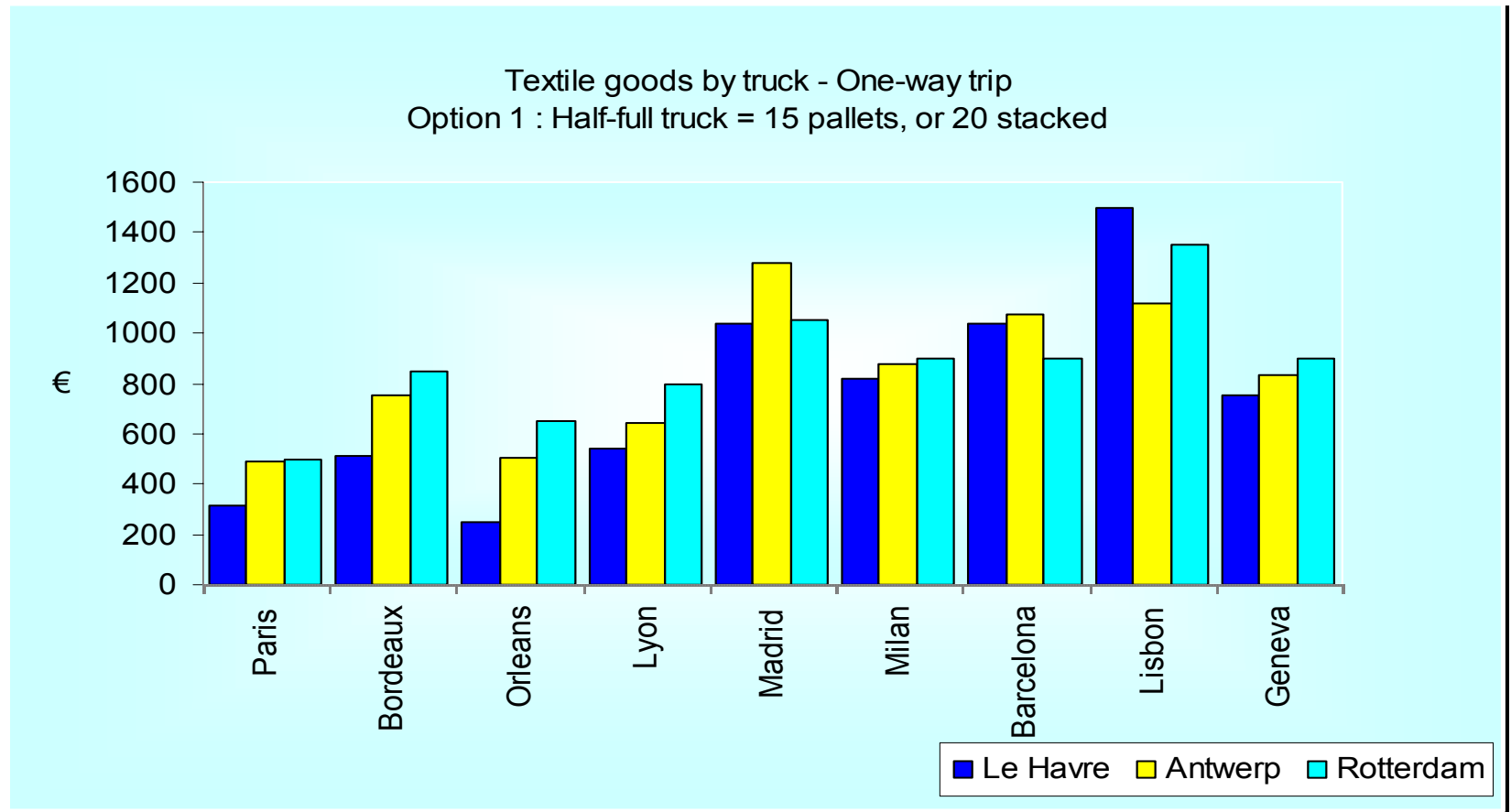
**Option 1 : Half-full truck = 15 pallets, or 20 stacked**

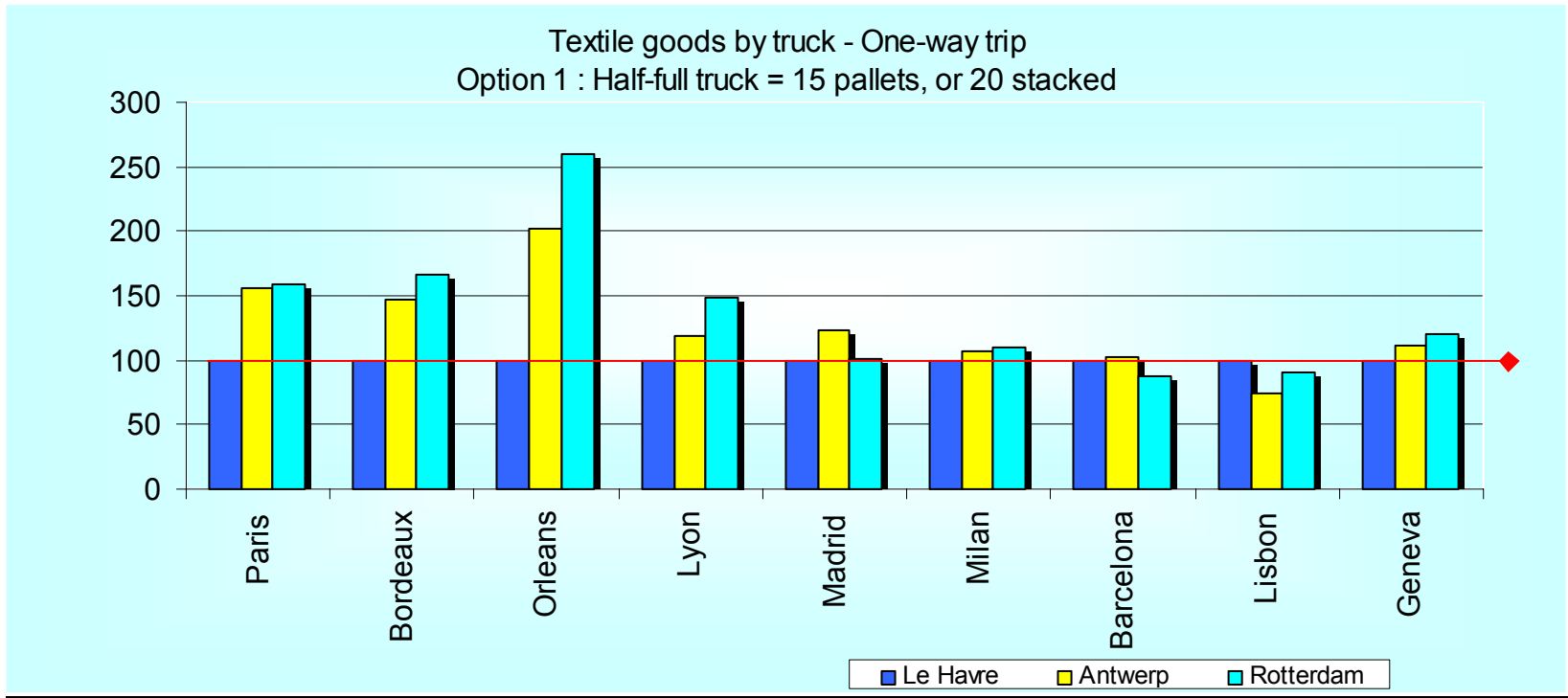
To :	€	= Base 100	€	// Havre	€	// Havre
Paris	315	100%	490	156%	500	159%
Bordeaux	510	100%	750	147%	850	167%
Orleans	250	100%	505	202%	650	260%
Lyon	540	100%	645	119%	800	148%
Madrid	1 040	100%	1 275	123%	1 050	101%
Milan	820	100%	875	107%	900	110%
Barcelona	1 040	100%	1 075	103%	900	87%
Lisbon	1 500	100%	1 120	75%	1 350	90%
Geneva	750	100%	835	111%	900	120%

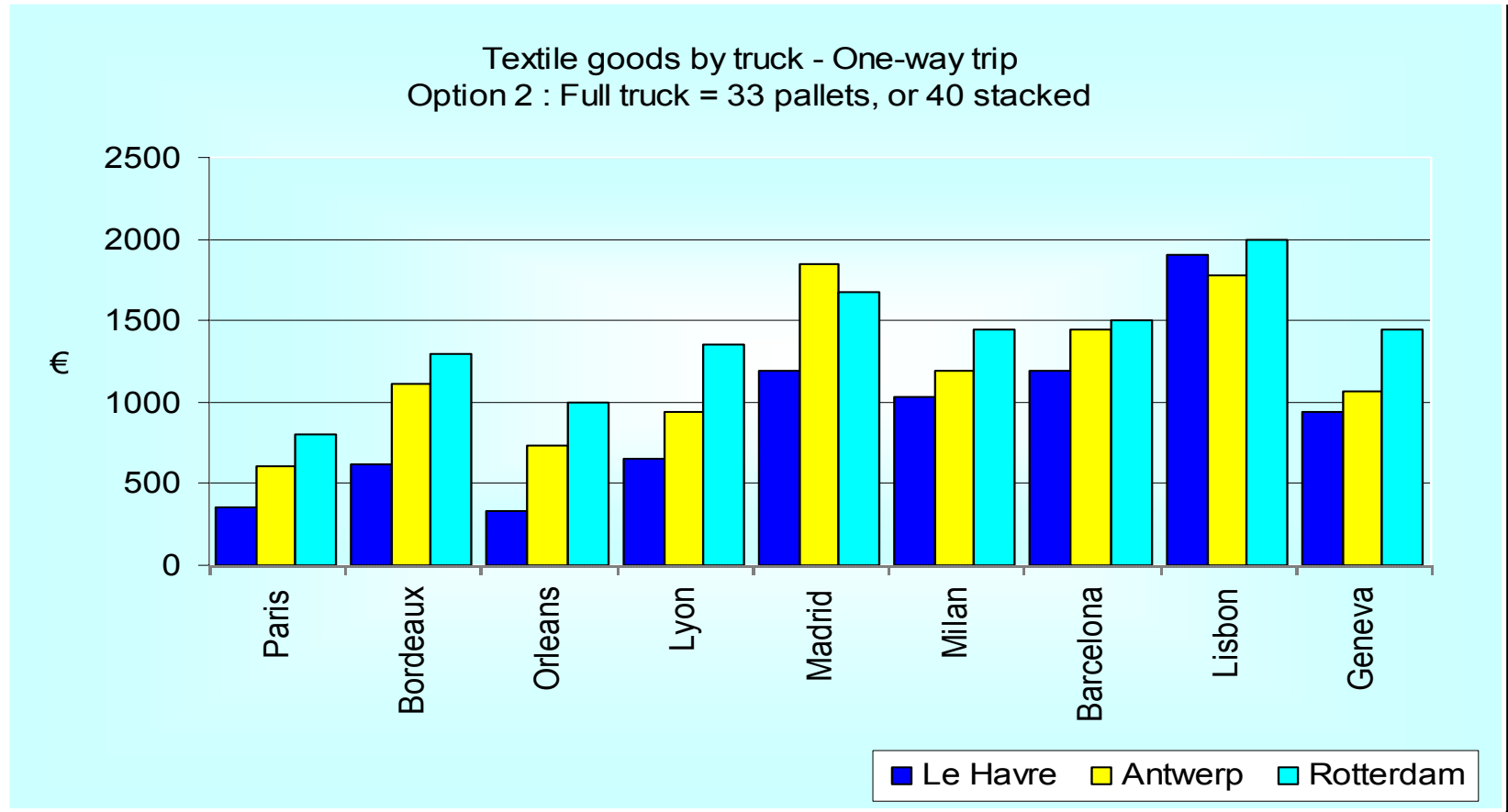
**Option 2 : Full truck = 33 pallets, or 40 stacked**

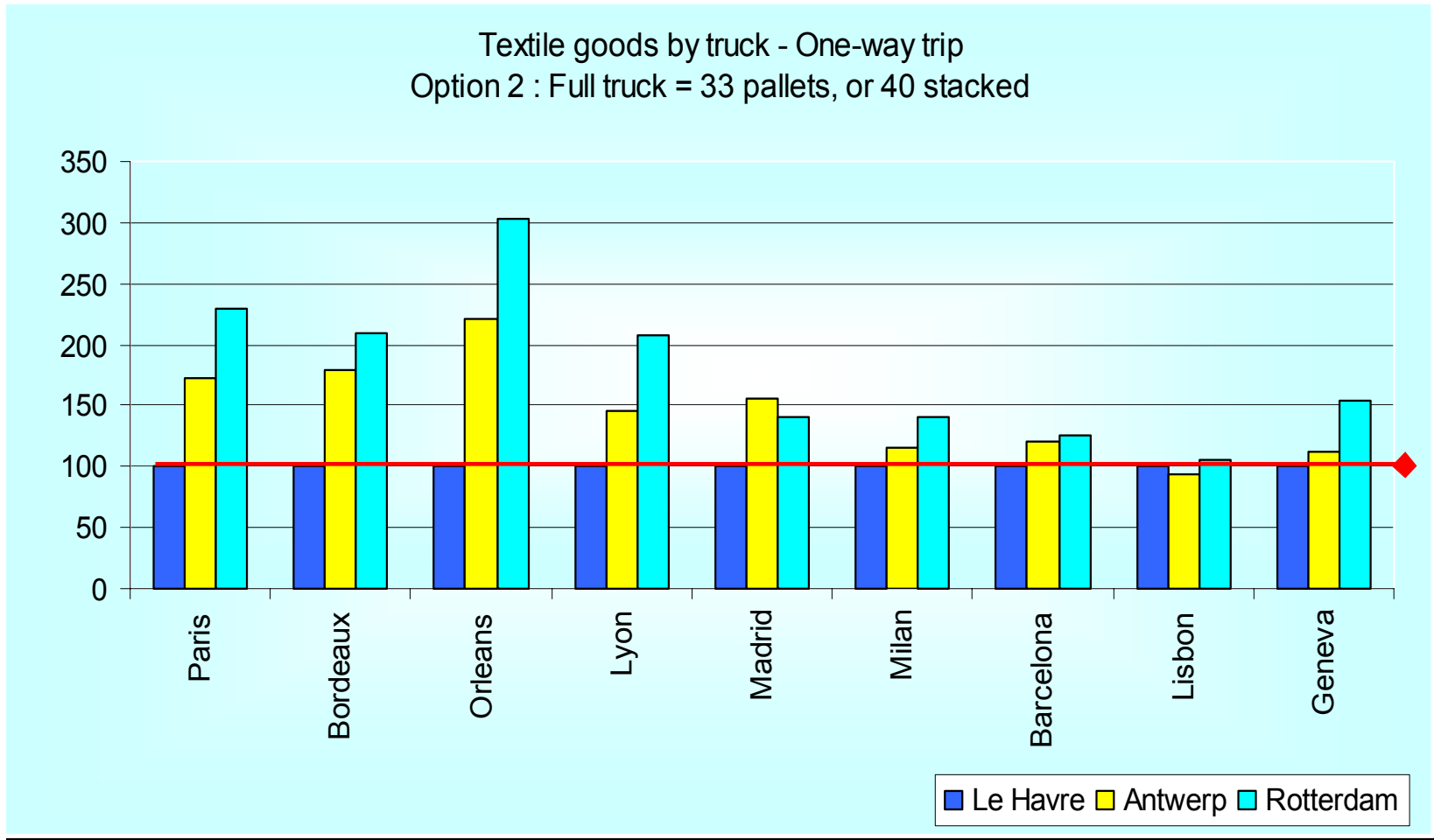
To :	€	= Base 100	€	// Havre	€	// Havre
Paris	350	100%	605	173%	800	229%
Bordeaux	620	100%	1 110	179%	1 300	210%
Orleans	330	100%	730	221%	1 000	303%
Lyon	650	100%	945	145%	1 350	208%
Madrid	1 190	100%	1 850	155%	1 675	141%
Milan	1 030	100%	1 195	116%	1 450	141%
Barcelona	1 190	100%	1 440	121%	1 500	126%
Lisbon	1 900	100%	1 775	93%	2 000	105%
Geneva	940	100%	1 065	113%	1 450	154%

Prices/destination vary from one truck company to other because they each have their own special routes and rates





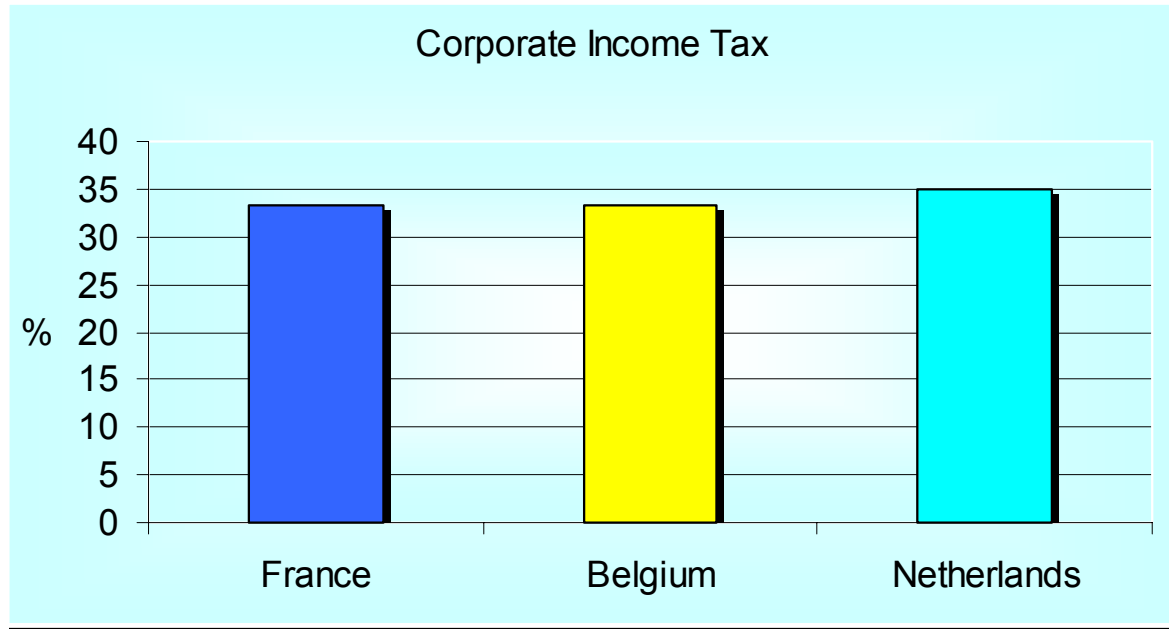




## 6 – Taxation



FRANCE	BELGIUM	NETHERLANDS
33,33%	33,99%	35%





LE HAVRE	ANTWERP	ROTTERDAM
<b>Tax base</b>		
<p>Real estate taxes are based on "cadastral income" (CI = theoretical rental income, determined by regional and local authorities). They vary per municipality.</p> <p>Paid by the owners but usually passed on to tenants in the rental charges</p>	<p>Real estate taxes apply to land, buildings &amp; equipment and are based on "cadastral income" (CI) determined in 1975 and indexed annually until 1996. They are made of a basic rate levied by the Flemish Government, plus 2 surcharges: provincial and local. Rates depend on the precise location of the land.</p> <p>Paid by the owners but usually passed on to tenants in the rental charges</p>	<p>Real estate taxes are based on "cadastral income" (CI = market value, indexed every 5 years). They apply to land and buildings and are set by each municipality.</p> <p>They are paid partly by the owners and partly by the tenants</p>
<b>Industrial land - built</b>		
<p>Base: 50% of CI</p> <p>Rate: 5,50 to 17,90%</p>	<p>Base: CI = 5,3% of land market value in 1975 (average value for industrial land in Antwerp area: 1,314 €/ha).</p> <p>Rate: 2,5% (government) + 2,5 to 3,5 x 2,5% (provincial) + 8 to 12 x 2,5% (local)</p>	<p>Base: CI divided by 2 268 €</p> <p>Rate: Owners 6,91 € x base + Tenants 5,53 € x base</p>
<b>Industrial land - unbuilt</b>		
<p>Base: 50% of CI</p> <p>Rate: 16,50 to 35,25%</p>	<p>Base: CI = 5,3% of practical value (= 30% of construction value in 1975)</p> <p>Rate: 2,5% (government) + 2,5 to 3,5 x 2,5% (provincial) + 8 to 12 x 2,5% (local)</p>	<p>Base: CI divided by 2 268 €</p> <p>Rate: Owners 6,91 € x base + Tenants 5,53 € x base</p>
<b>Other</b>		
<p><b>Business tax</b></p> <p>Base: rental value of land, buildings, machinery &amp; equipment usually ceiled at 3,5% of the value added for logistics activities</p> <p>Rate: 3,7 to 8,70% + equalization rate to harmonize local rates with national average.</p>	<p><b>Machines &amp; equipment</b></p> <p>Base: CI = 5,3% of practical value (= 30% of purchasing value)</p> <p>Rate: 2,5% (government) + 2,5 to 3,5 x 2,5% (provincial) + 8 to 12 x 2,5% (local)</p>	<p><b>Machines &amp; equipment</b></p> <p>n/a unless machines are bolted in the buildings and become part of building value.</p>
<b>Other local taxes may be applicable. Defined on a case-by-case basis.</b>		



## LE HAVRE

Delay of VAT payment is possible for up to 1 month

Company must have a local subsidiary or local representative otherwise VAT is due immediately

## ANTWERP

Delay of VAT payment is possible for up to 6 weeks.

Company must have a Belgian VAT number or a local representative, otherwise VAT is due immediately.

## ROTTERDAM

Delay of VAT payment is possible for up to 1-3 months

Company must have a local subsidiary or a tax representative otherwise VAT is due immediately.

- If the company has a subsidiary in Holland, VAT can be paid with a delay of 2-3 months.
- If the company has a physical representative in Holland, VAT doesn't need to be paid until the 15th of the month following the month of declaration.

Special paperwork must be filled  
Local representative role is usually assumed by the logistics/freight company who will handle all the paperwork. There is specific paperwork for each case.

If the goods are destined for another European market, VAT must be declared at the port of entry but can be transferred/paid in country of destination.

**It is impossible to make a general case, levels and modalities of payment depend on the nationality, set-up and operations of each specific company.  
Expert fiscal advice is recommended to optimize VAT situation.**



## **EMPLOYMENT COSTS**

- Le Havre: Le Havre Entrepôts, ANPE, APEC, RH Partners
- Antwerp: Partena, Profile Group
- Rotterdam: Randstad, CCI (Chamber of Commerce)
- FDI (E.U.) "European Business Incentives Report" (March 2003)
- Ernst & Young "Worldwide Corporate Tax Guide" (2002)

## **RENTAL COSTS**

- DTZ offices in France, Belgium and The Netherlands
- Prologis

## **LABOR**

- Le Havre: INSEE, ANPE
- Antwerp: GOM (Antwerp Regional Government)
- Rotterdam: Rotterdam Port Authority
- UNESCO "International Standard Classification of Education"

## **LAND COSTS & AVAILABILITY**

- Le Havre: Le Havre Développement, Port Autonome du Havre
- Antwerp: DTZ, Antwerp Port Authority
- Rotterdam: DTZ, Rotterdam Port Authority

## **INVESTMENT INCENTIVES**

- Le Havre: Normandie Développement
- Antwerp: FFIO (Flanders Foreign Investment Office), Antwerp Port Authority
- Rotterdam: Netherlands Foreign Investment Agency, Rotterdam Port Authority

## **PRODUCTIVITY**

- Le Havre: Le Havre Entrepôts, Maersk Logistics
- Antwerp: Katoen Natie
- Rotterdam: Neele Transport, CCBB

## **TAXATION**

- Le Havre: Douanes françaises, CCI (Chambre de Commerce et d'Industrie)
- Antwerp: DTZ, FFIO (Flanders Foreign Investment Office)
- Rotterdam: DTZ, Rotterdam Port Authority

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- Our 250 staff has a **pan-European perspective** supported by the **detailed local knowledge** and understanding available through DTZ's unrivalled European office network.
- The guiding principle in the development of our business is to provide an integrated consulting service using experienced **multi-disciplinary teams** with skills in business strategy, management, economics, finance, property and planning to **deliver innovative solutions** that meet business and policy objectives.

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  - **Strategy, organisational development and change management**
  - **Corporate real estate strategy**
  - **Outsourcing and procurement**
  - **Development and regeneration**
  - **Retail consulting**
  - **Regional economic and property market research and forecasting**

For further information on our services or any request  
please contact us at the following e-mail address:

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