

# Port of Antwerp: three foundational pillars



Eddy Bruyninckx, *CEO, Antwerp Port Authority, Antwerp, Belgium*

Just as the triangle is the strongest shape, the Port of Antwerp's three-dimensional development strategy has helped it to become Europe's largest integrated maritime, logistics and industrial hub. The port's 'Three Pillars' model provides both resilience during global downturns and sustainable growth. In 2014 the port handled 199 million tonnes, and traffic is expected to reach 265 million tonnes by 2020.

For more than two centuries the Port of Antwerp's growth has been based mainly on its location in the heart of Europe – 80km inland from the North Sea – and its proximity to Europe's main centres of production and consumption. Today, 60% of European purchasing power lies within 500km of Antwerp.

## Strategic development

For a port the right location is necessary but not sufficient to ensure long-term success. Of course other factors such as facilities and efficiency are important too, and will carry a port along nicely as markets and trade grow. But it is strategy that takes a port to the next level.

The Port of Antwerp's clear and distinctive three pillars are maritime, logistical and industrial development; and this is supported by sustained, balanced public and private investment in all three areas.

The autonomous public body, Antwerp Port Authority, has a central role. Acting as a facilitator, developer, promoter and coordinator, the authority is investing around US\$120 billion in new infrastructure, facilities and capacity in the 10 years to 2025. This public investment is supplemented by significant private investment by terminal operators, transport operators, industrial companies and others. For example, ExxonMobil is investing over \$800 million in its refinery, adding to the \$120 billion it has already invested in its Antwerp operations over

the past decade. Total is also investing over \$1 billion in its Antwerp refinery.

Antwerp Port Authority has a close working relationship with private companies at the port. For example, in 2012 the Port of Antwerp presented its first sustainability report. This was a world first: never before had an entire port community published a joint report of this kind. Next I want to take a closer look at the port's three pillars; maritime, logistics and industrial development.

## Port of Antwerp

Around 14,500 seagoing vessels a year call at the Port of Antwerp, which can accommodate all types and sizes of vessels right up to container vessels of over 19,000 TEU, ultra-large gas carriers and LR2-class tankers of up to 160,000 DWT. The port offers direct services to over 500 ports worldwide, some 300 of which are served weekly.

Shipping on the River Scheldt is based on the 'integrated chain' concept, which involves managing river and port traffic to ensure efficiency, safety and environmental protection. Container traffic is growing rapidly at the Port of Antwerp, where private terminals carry out up to 40 movements per hour per crane. All the terminals are tri-modal to speed transits and maximise connectivity between foreland and hinterland.

In 2016 the Port of Antwerp will inaugurate its \$380 million Deurganckdock Lock, which will enhance access to the left bank. It will be the world's largest lock (an honour currently held by the port's Berendrecht Lock) and will be able to accommodate the largest vessels.

## Logistics hub

In its 2013 study of Europe's leading distribution hubs, Colliers International ranked Antwerp first as a European distribution hub. It argued that Antwerp

is a logical choice for companies seeking to reach the largest number of customers as quickly and readily as possible. For instance, a population of 143 million can be reached by truck within nine hours from Antwerp.

The Port of Antwerp acts as the link between its foreland, served by mainline, shortsea and feeder vessels, and its hinterland, served by barge, road, rail and pipeline. More than 900 logistics companies are based in and around Antwerp, keeping transport rates competitive, while some 250 trains a day are loaded and unloaded at the Port of Antwerp. Trains connect the port with 820 destinations and carry 24 million tonnes of freight a year, making Antwerp the second-busiest rail port in Europe. The vast bulk of this rail traffic is European, with new and recently expanded services linking Antwerp with Basel, Duisburg, Linz, Paris and Vienna. Trains also run much further afield to Russia, Kazakhstan, South Korea and China.

In December, 2014, the Port of Antwerp saw the opening of the \$981 million Liefkenshoek rail link between the left and right banks of the Scheldt. The 16.2km line includes a 6km tunnel under the river and is designed to expand freight capacity and reduce travelling times to France, the Netherlands and Germany.

Some 915 barge services a week link the Port of Antwerp with 75 inland ports, and Antwerp is directly connected to the Albert Canal and a 1,500km Belgian barge network. Located in the middle of the Scheldt-Maas-Rhine delta, this network is linked to the pan-European inland waterway network.

To develop barge traffic, the Port of Antwerp works closely with hinterland ports such as Beverdonk, Brussels, Genk, Liège, Limburg and Venlo. Planned Flemish barge transport-related projects



## About the author

Eddy Bruyninckx is a sociologist by training. He graduated in 1973 from the Catholic University of Leuven, and began his career at Antwerp University as a Scientific Assistant. He later joined ministerial private offices. From 1987 to 1990 he was General Secretary of the Social-Economic Council of Flanders. Bruyninckx has headed the Antwerp Port Authority since 1992, first as the Antwerp Municipal Port Company (as it was then), and for the last seventeen years as CEO of the Authority in its corporatised form. He was awarded the title of Public Sector Manager of the Year in 2003, conferred for modern public management by the Flemish Association for Management and Administration Science, and in 2012 he had the honour of receiving the first World Ports Award in Abu Dhabi from Sultan Bin Saeed Al Mansouri, Minister of Economy of the UAE. In November 2014 he was presented with the IBJ Lifetime Achievement Award in recognition for his achievements to develop the port of Antwerp into a world player.

## About the organisation



**Port of Antwerp**

Formed in 1996 by the City of Antwerp, the Antwerp Port Authority is an independent, municipally-owned company. It employs around 1,650 people. Antwerp Port Authority's responsibilities include strategic management, maintaining and developing infrastructure such as docks, bridges, locks and quay walls; ensuring the efficient and safe passage of shipping traffic; acting as a landlord and proactive facilitator; maximising long-term added value for the city of Antwerp; carrying out operations such as dredging and towage; and promoting the port as a key link in the global logistics chain.

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include the upgrading of the Albert Canal to accommodate four-layer container barges.

To help improve port-area road transport, the Flemish government's roads master-plan includes the construction of a third Scheldt crossing, and major improvements to the R2, E313 and A102 roads.

In broader logistics, ten independent storage companies in the Port of Antwerp have invested heavily in tank storage. The port is Europe's largest in terms of storage and warehousing, having 6.3 million m<sup>3</sup> of tank storage capacity and 610 hectares of covered storage space.

## Industrial centre

Antwerp is home to seven of the world's top ten petrochemical companies and more than 70 large petrochemical plants in all, making it the largest petrochemical cluster in Europe. In the port area there are three refineries and one bitumen plant. In the 1960s and 1970s, several major industrial companies chose to set up operations in Antwerp, attracted principally by its prime location, favourable tax treatment and well-educated workforce. These included BASF, Evonik, ExxonMobil, Solvay and Total.

Within the petrochemicals cluster

there is great expertise in the transport, storage and processing of petrochemicals. This is reinforced by the presence of many companies providing value-added logistics (VAL) services such as blending, drumming, labelling, packaging, quality control, testing and weighing.

Antwerp Port Authority uses its concession strategy to support the petrochemical supply chain by encouraging 'co-siting', linked production processes and VAL. The port's major Ineos plant is a fine example of co-siting. Ineos has chosen Antwerp as the location for its multi-billion investment in a new ethylene storage site. Other recent investors include Air Liquide, Ferro, FRX Polymers and Praxair.

Antwerp Port Authority has set up a dedicated petrochemicals investment department to attract and support investment in this sector. Covering 13,057 hectares, the Port of Antwerp is the world's largest port by surface area. This provides the brownfield and greenfield space needed to attract private investment and ensure the right mix of concessionaires. Planned port developments include the 96 hectare Churchill Industrial Zone on the site of a former GM factory, the 1,000 hectare Saeftinghe Development Area and the logistics parks Schijns and Waasland.