

# Meet the Netherlands: Home to What's Next in Supply Chain Solutions

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In the world of supply chains, many countries are still searching for a basic level of proficiency. Then there's the Netherlands – a nation that is far ahead of the curve when it comes to next-generation logistics.

In our respective capacities at the <u>Netherlands Foreign Investment Agency</u> (NFIA) and the <u>Holland International Distribution Council</u> (HIDC), we interface daily with a broad network of stakeholders: international and national logistics service providers active in the Netherlands; Dutch government partners and regional development agencies; and some of the most innovative companies from the U.S. and worldwide looking to enter the European market.

This gives us a unique vantage point into the seismic changes unfolding in the global supply chain industry. Moreover, experiences on both sides of the Atlantic reinforce our conviction that the Netherlands – a country renowned for trade and infrastructure – is home to the future of <a href="supply:chain solutions">supply</a>. Here is what we're seeing:



#### Where Logistics is Moving

Let's start at the macro level. Across the globe, geopolitical uncertainty is compelling a heightened sense of urgency in the search for secure and agile supply chains. Added to this are long-term trends, including aging populations, which drive demand for inventive solutions that can address labor challenges in developed countries. These external factors dovetail with internal developments in the logistics industry: from technological leaps in big data and automation to sustainability efforts in carbon reduction and circularity. And there's much more room for innovation. The massive productivity gains promised by the Al revolution, for instance, have yet to be unleashed to their fullest potential.



#### The Dutch DNA for Supply Chains

Enter the Netherlands. It's a place where the most exciting trends in the supply chain sector converge. And there is a good reason for that: logistics excellence is deeply ingrained in the Dutch DNA. Geographically, the Netherlands is an ideal gateway to Europe, bringing 95% of Europe's major markets within close reach. In economic terms, the logistics sector generates a significant portion of Dutch GDP, with the country's 942,000 logistics specialists comprising roughly 10% of its total workforce.

Dutch infrastructure is world-class, exemplified by the Port of Rotterdam and Amsterdam Airport Schiphol – two of the most vital access points on the European continent. These are not just transport hubs, but full-fledged port communities. The Port of Rotterdam's <u>Portbase</u> and Amsterdam Schiphol's <u>Cargonaut</u> facilitate data-sharing between all participants of their logistics chain with innovative smart cargo programs.

Dutch policymakers also prioritize logistics, designating it as one of the country's "<u>Top Sectors</u>." That means funding is available for supply chain innovation programs and stimulating collaboration between companies, knowledge institutions and government in a trademark Dutch approach called the "<u>Triple Helix</u>."

#### The Value of Third-Party Logistics

The Dutch supply chain industry itself is remarkably strong, the product of decades of development. A core advantage of this ecosystem is the prevalence of **third-party logistics (3PL)** providers. The Dutch model differs in this respect from what's common in the American market. It often doesn't occur to U.S.-based firms that they can outsource their logistics to 3PLs when expanding to Europe. Yet the benefits of partnering with a logistics provider are enormous: greater flexibility, significant cost savings, easier scalability, decreased risk, enhanced visibility via tracking and seamless integration with larger supply chains. On top of this, many 3PLs offer value-added capabilities like assembly and configuration.

It's no wonder that some of the world's top 3PL companies – including FedEx, C.H. Robinson and GXO – set up major operations in the Netherlands. The model proves especially successful for industries that require specialized services. Global giants like <a href="DHL Supply Chain">DHL Supply Chain</a>, Expeditors, Movianto and Rhenus act as 3PLs within the Dutch life sciences & health ecosystem, delivering climate-controlled logistics and other expert services to pharma and medical technology clients throughout Europe.



### **Innovation Meets Sustainability**

All of this results in a prime location to advance both value-added logistics and key enabling technologies. The Netherlands offers a highly lucrative pilot market for foreign companies specializing in AI, automation and robotization services (both hardware and software) as well as digitalization platforms fueled by data collection, analysis and optimization.

In part, it's a matter of values. As a society, the Dutch are committed to sustainability goals such as achieving a circular economy by 2050. When you fuse that ethos with the Netherlands' vast innovative capacity and talent pool, you get an ecosystem that is laser-focused on driving new and better technologies capable of reducing supply chains' environmental impact.

This ecosystem provides fertile ground for ambitious firms looking to lead the supply chain industry into a smarter future. Just ask U.S.-based automation specialists like Ranpak, <u>Locus Robotics</u> and Berkshire Grey, or global companies with strong U.S. ties like <u>Mujin</u> and Meta Storage Solutions. The same goes for AI and robotics innovators from other parts of the world, including Caja Robotics, Ajax Systems, Agilox, Fives, Pickr.AI and <u>Shipsy</u>. By landing in the Netherlands, each of these companies has gained a competitive edge in the pursuit of creating more efficient, flexible and traceable supply chains.





## **Setting New Standards**

With its mix of international players and homegrown champions, the Dutch ecosystem cultivates a steady stream of new ideas and best practices that are raising the bar for the supply chain industry. In this spirit, HIDC has celebrated the breakthroughs of local and global companies active in the Netherlands with its annual Innovation Award. Past winners include Idverde, a leader in the movement toward circular, nature-inclusive landscaping around logistics sites, and FiberUnlimited, a pioneer in sustainable optical fiber data networks for warehouses.



In addition, the Netherlands is dotted with some of the world's greenest distribution centers: Rhenus's **NewLogic III building** (nicknamed "The Tube") in the city of Tilburg made waves when it first opened, with an astonishing 99.48% BREAAM sustainability rating. So did the DC4 warehouse by **Prologis** in Eindhoven, the world's first zero-carbon certified logistics building.





#### **A Trusted Network**

The last part of the puzzle is completed by organizations like NFIA and HIDC. NFIA, an operational unit of the Dutch Ministry of Economic Affairs, is part of the countrywide Invest in Holland network, encompassing Dutch regional development agencies as well as offices around the world dedicated to helping companies tap into the European market. And HIDC, a partner in this network, opens the door to the Dutch logistics community – granting access to more than 300 members with its successful 3PL matchmaking program.

The collective expertise of NFIA, HIDC and the Invest in Holland network ensures a level of certainty and clarity that is often rare in international expansions. We know exactly how to connect companies with high-value logistics services and opportunities in the Netherlands' ecosystem. And in the Dutch fashion, we are eager to share our knowledge with others. Our teams spend a great deal of time on the road, meeting with local trade organizations and development agencies across the U.S. and worldwide.

In varied conversations with businesses, common threads frequently emerge. There are the usual in-depth questions about customs and VAT, which we are more than happy to answer. But beyond this, we have noted a tangible sense of excitement and curiosity from companies when we explain how the Dutch supply chain model works, the scale of the country's logistics market or the pace of innovation that defines the Netherlands today. As we see it, there's no better place to shape the future.

Interested in exploring opportunities in the Dutch supply chain ecosystem – or do you already have plans to use the Netherlands as your stepping-stone to the European market? You can find Paul at <a href="mailto:CSCMPEDGE2025">CSCMPEDGE2025</a> in Maryland this October. You can also start a conversation with Paul at <a href="mailto:paul@nfia.com">paul@nfia.com</a> and Remco at <a href="mailto:r.buurman@hidc.nl">r.buurman@hidc.nl</a>.

<u>Learn More About the Netherlands Foreign Investment Agency (NFIA)</u>

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