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BUSINESS PLAN

NEW INLAND NAVIGATION SERVICE IN [COUNTRY]

Activity: WP 4, Activity 3

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Name of the report writer(s)

Company name

Company logo
place



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INLAND NAVIGATION SERVICE – BUSINESS PLAN SUMMARY

The summary is based on below detailed analyses and should be filled in as last step.

The summary should be no longer than a page and should focus on why the suggested IWT business is going to be successful and describe necessary steps when establishing a new IWT service. It should briefly summarise the potential IWT service to attract potential shipping lines to set-up this potential new service identified.

More detailed answers provided throughout the body of the business plan. At a minimum it should include:

Potential IWT Market in [xyz, country xyz] / New Service idea

- Include a map which origin/destination matrix
- Showcase the cargo potential for IWT service as analysed.
- Showcase potential customers (cargo owners) and their needs for shifting cargo to IWT.
- Shortly highlight how a potential new IWT service could look like



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INLAND NAVIGATION SERVICE – BUSINESS PLAN

1 INLAND WATERWAY TRANSPORT MARKET POTENTIAL

1.1 Geographical area

Highlight the area where a potential new IWT service could be implemented (ref. also activity 4.2)

Include a map or figure which illustrates the waterways to be used as well.

- Which waterways have to be passaged?
- What are the characteristics of the waterways?
- Are there any limitations for ships size, draft, beam, clearance?
- Are there any limitations linked to lock or port operation hours?

1.2 Potential cargo volume per month/year

Include the results of the survey (ref. activity 4.2) and/or statistical research to demonstrate the potential IWT market (volume).

Type of cargo and specific needs to transport the cargo from A – B.

Estimated growth potential per year?

2 POTENTIAL NEW INLAND NAVIGATION SERVICE

2.1 The customers (cargo owners)

Describe the customers (cargo owners) and key contact details.

- List important stakeholders to be contacted to set-up the potential new IWT service and their role in the process to turn the potential service into reality
- Describe specific customer needs to include IWT in their supply chain as analysed.
- Which needs are seen by the customer in addition to the IWT service? E.g. related to sea transport, land transport, warehousing, etc.

2.2 New service line (Origin-Destination)

2.3 Loading and discharging port

Characteristics of the loading- and discharging port.

- Which kind of vessels can be handled?
- Is loading/discharging equipment available?
- Is storing capacity available (if needed)
- How is the port linked to road and rail network
- Any limitations in ship's operation or for ship's calling the port(s)?
- Standard operation procedure in the ports: is there any specifics to be considered?

2.4 Organisation of last mile transport

2.5 Competition to potential new market

How is the cargo transported today?

Is there any competition by rail or road business? Who are the competitors?

Is there any information about today's transport costs which has to be beaten by the potential IWT service?

List some of the competitors in the table below and provide details:

Competitor	Established date	Size	Market share (%)	Value to customers	Strengths	Weaknesses
[Competitor name]	[When were they established?]	[Number of staff and/or turnover]	[Estimated percentage of market share]	[Unique value to customers. E.g. convenience, quality, price or service?]	[What are your competitor's main strengths?]	[What are your competitor's main weaknesses?]
[Competitor name]	[When were they established?]	[Number of staff and/or turnover]	[Estimated percentage of market share]	[Unique value to customers. E.g. convenience, quality, price or service?]	[What are your competitor's main strengths?]	[What are your competitor's main weaknesses?]

2.6 Conclusion: Potential for the new IWT service

- Anticipated demand?
- Sales target

3 INLAND NAVIGATION BUSINESS SET-UP

3.1 Service characteristics

- Frequency of service
- Travel time
- ...

3.2 Market and customer requirements

- Refer activity (survey) 4.2

3.3 Vessel characteristics

Which kind of vessels is required (push-barge, Rhine ship), also considering possible limitations for passage or port handling.

Any specific propulsion system needed?

Is tonnage available in the market or does it has to be transported to the market?

3.4 Plant, equipment, vessels purchases

List the needed plant, equipment, vessels & vehicles purchases/rental/TC.

3.5 Organisational set-up

Who is planned to be responsible for...?

- Overall transport organisation
- Organisation of main leg
- Organisation of last mile
- ...

3.6 Legal considerations

List the legislation which will have some impact on the running of the IWT business. For example: specific legislation for inland navigation including extra costs compared to truck or rail transportation?



3.7 Market Regulations and quality control

Do specific market regulations or laws affect the use of inland ships or crewing?

What kind of certificates are needed to get permission in running a IWT service?

Is specific technology asked for (RIS and ECDIS technology on ship) by authorities?

3.8 Conclusion: schedule

Description of the inland navigation service needed according to the customer needs and market conditions described above.

4 FINANCIAL REVIEW: THE ECONOMIC FEASIBILITY OF THE NEW POTENTIAL IWT SERVICE

This chapter should provide as many as possible information about costs structure the new potential IWT service is faced with.

4.1 Start-up cost

- Vessels and registration cost

4.2 Service operation cost

- Vessel related: fuel, taxes, fairway dues, pilotage, etc.
- Crewing related: salaries incl. social charges
- Handling costs per unit/ts in loading, unloading port
- Costs for different kind of IWT fuel in your country (LNG, diesel etc.)
- Potential operation costs of inland vessel(s) for the service suggested (if available)

4.3 Comparison of start-up and operation cost with alternative transport modes

Compare the cost of setting up the new service (ref. 3.1) and operating the service (ref. 3.2) with cost of transportation via road and rail only (ref. 2.5)

4.4 Break-even analysis

In best case you can include a break-even analysis of a potential service (spread sheet)

4.5 Conclusion of the economic feasibility

Will the new service be economically feasible? What are the requirements?

What is the potential turnover/revenue?

How about the profitability on the time axis?

Are there possibilities to acquire public or European funds to start the business?



5 MARKETING AND DISTRIBUTION ACTIVITIES

Describe necessary marketing and distribution activities to attract customers:

- Sales resources and techniques
- Unique selling proposition of the new service

6 RISK MANAGEMENT

List and evaluate potential risks that could impact the potential new IWT business.

Risk	Likelihood	Impact	Strategy
<p><i>Risk 1</i></p> <p><i>[Description of the risk and the potential impact to the IWT service]</i></p>	<p><i>[Highly Unlikely, Unlikely, Likely, Highly Likely]</i></p>	<p><i>[High, Medium, Low]</i></p>	<p><i>[What actions could be taken to minimise/mitigate the potential risk to the IWT service planned?]</i></p>
<p><i>Risk 2</i></p> <p><i>[Description of the risk and the potential impact to the IWT service]</i></p>	<p><i>[Highly Unlikely, Unlikely, Likely, Highly Likely]</i></p>	<p><i>[High, Medium, Low]</i></p>	<p><i>[What actions could be taken to minimise/mitigate the potential risk to the IWT service planned?]</i></p>



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7 SWOT-ANALYSIS OF POTENTIAL NEW IWT SERVICE

Provide the reader with a SWOT (strengths, weaknesses, opportunities or threats) for the potential IWT service. Fill in the SWOT by making use of your above analyses.

Outline how weaknesses/threats could be addressed to minimise them.

Strengths	Weaknesses
<p><i>[e.g Expertise in inland navigation]</i></p>	<p><i>[e.g High initial costs, depending on a base volume; Cash flow problems, breakdowns]</i></p>

Opportunities	Threats
<p><i>[e.g build a sustainable service in an existing market]</i></p>	<p><i>[e.g competition of rail and road]</i></p>