So many new warehouses in Paris today: why?

Dr. Laetitia Dablanc

Université Gustave Eiffel

TU Delft
Thesis defence A.T.C. Onstein
1 December 2021
• Research oriented Chair
• Warehouses, innovations, new trends in consumption and impacts on city logistics

Results available online:
• Observatory of ecommerce mobilities
• Survey reports on gig workers for instant delivery platforms in Paris 2016, 2018, 2020, 2021
• Barometer of urban logistics under covid lockdown
• Logistics real estate in 74 large cities around the world

Warehouses in the Paris region

A very active market since 2014

In brown+red: Paris region, new warehouse land areas over 5,000 sq m
In orange: rest of France
Warehouse indicators for the Paris region 2000-2012 (>5000 sq m)

Number of WHs
2000: 714
2012: 955

Number of WHs per million inhabitants
2000: 65
2012: 81

Number of WHs per 1000 sq m
2000: 59
2012: 79

Dablanc, Palacios, 2020; Heitz, 2018
Warehouses (city hubs) in Paris since 2011 “Proximity logistics” (H. Buldeo Rai)

- Building permits applications for logistics facilities 2011-2019
- Missing:
  - New logistics facilities not requiring a building permit
  - Click-and-collect facilities and pick-up-points (registered under retail)
  - Building permits since 2019 including ‘dark stores’ since 2020

APUR, 2021
Chapelle logistics hotel (45,000 sq m)

- Innovative architecture on a former freight rail area
- Four levels
- Multi-use: logistics, offices, data center, sports, urban farm
- Rail service (unused)
Many Paris underground municipal car parks accommodate delivery companies

- Louvre
- Opera
- Beaugrenelle
- Concorde

Star Service
FedEx
Chronopost
Chronopost
Temporary rental and time-sharing

Swoopin, Paris 11th
Six-month rental before redevelopment for social housing project

Amazon, Paris 14th
Use of a bus depot during the day

L. Dablanc

F. Bouchon Le Figaro
Urban logistics hub for cargo-cycle operations under the Paris ring-road
Large renovated multi-story warehouse

- Preserved from the 1960s
- Fully rented to diverse set of clients from Amazon to the Louvre
- Electric vans on roof
Use of river banks in open air for a daily intermodal operation for a large retailer
SERVICE LEVEL
Small picking hubs close to the consumers for fast or ultra-fast deliveries

• Around 200 today in Paris?

Cajoo dark store in Paris Champerret
CORPORATE SOCIAL RESPONSIBILITY
Reducing freight vehicle-km: example of Chronopost

Without an urban hub: 151 tons CO2/y
With an urban hub: 74 tons CO2/y
Introducing cargo-cycles and e-vans in the supply chains

Example: delivery of fresh grocery in an underground parking in Ile de la Cité
2016 zoning ordinance of Paris: several regulations incentivizing the implementation of logistics facilities

- Areas dedicated to large urban services
  - River banks
  - Rail areas
  - Hospitals or former hospitals
  - Other

- 61 location perimeters for logistics activities
Conclusion

• What drives the development of Paris city hubs?
  - Service level
  - Responding to changing consumer demands
  - Innovation
  - Responding to current or expected public policies
• Large investors are looking into this new market (Prologis)
• One major driver for investors: with high demand and short supply, rental prices are up (routinely 200 €/y/sqm, can go as high as 400), returns on investments are faster than a few years ago
Paris among the most expensive markets for urban warehouses (De Oliveira, Dablanc, Schorung, to be published)
Ressources

- METROFREIGHT www.metrans.org/metrofreightw.metrans.org/metrofreight
- Dablanc, L. (to be published) Chapter 3.1 Land use planning for a more sustainable urban freight. In Edoardo Marcucci, Valerio Gatta, Michela Le Pira (Ed) Handbook on city logistics and urban freight, Edward Elgar
- Many reports by APUR, the Paris urban planning agency, on logistics hubs, eg https://www.apur.org/fr/nos-travaux/sites-logistiques-actuels-potentiels-contribution-groupe-travail-immobilier-strategie-logistique-parisienne