

#### **SUPPLY CHAIN AND LOGISTICS IMPLICATIONS FOR TRANSPORT**

Logistics challenges and implications for transport, particularly intermodal transport



Inland Transport Committee 24-26 February 2009

Progress report
by
Working Party on Intermodal
Transport and Logistics
(WP.24)

### **UNECE, WP.24 ...and logistics**

#### Work programme of WP.24

In 2006 inclusion of new work element from (former) ECMT Working Group on Intermodal Transport:

"Analysis of modern transport chains and logistics...
providing a rational basis for Governmental decisions on transport demand [and] modal choice ..."

#### **Implementation?**

(competence, mandate, value-added, client-oriented)

### **UNECE, WP.24 ...and logistics**

- Supply chain management and logistics
  - of growing importance for competitiveness of economies
  - require reliable, flexible, fast and efficient transport
  - impact on transport demand, quality and land use
  - determine modal and inter-modal choices
- Transport policies must respond
  - at national level
  - at international level
- UNECE and WP.24 provide a forum
  - to exchange of information and best practices
  - to review of concepts and indicators (f.i. to measure logistics)
  - with expertise on regulatory and capacity building policies
  - at inter-governmental, pan-European level

### "Virtual" Expert Group of WP.24

- WP.24 requested Expert Group
  - to structure the past considerations of WP.24 on supply chain management and logistics
  - Identify measures for inter-governmental action
- Expert Group prepared a note on
  - concept of logistics and supply chains
  - impact on freight and intermodal transport
  - role and areas of Governmental action
  - examples of Governmental initiatives
  - proposals for future WP.24 activities

Summary of this note: ITC Informal document No.11 (EFR) (full report: ECE/TRANS/WP.24/2008/4)

### Logistics and intermodal transport

- Logistics (8-14% of GDP and 10-30% of value of consumer goods)
  - Process of designing and managing the supply chain
  - From supply to manufacturing to final distribution
  - Providing goods at least cost at place and time required by customers
- Inland freight transport (25-30% of logistics costs)
  - Essential part of logistics and supply chains Decreasing importance (relative to logistics cost)
  - Quality challenge (reliable, flexible, fast, transparent, sustainable,... + cheap)
  - Bottleneck challenge (congestion road/ rail, port hinterland, urban areas)
- Design and management of freight transport

(Freight transport logistics)

- Planning, organization, control and execution of freight transport within (often global) supply chains
- Intermodal transport provides flexibility for supply chain manager
- Critical factors: Capacity (consolidation, transshipment)
- WP.24 focus:

Analysis of transport aspects of supply chains and logistics and its impact on modal choice and intermodal transport

## Role of Governments in logistics and intermodal transport

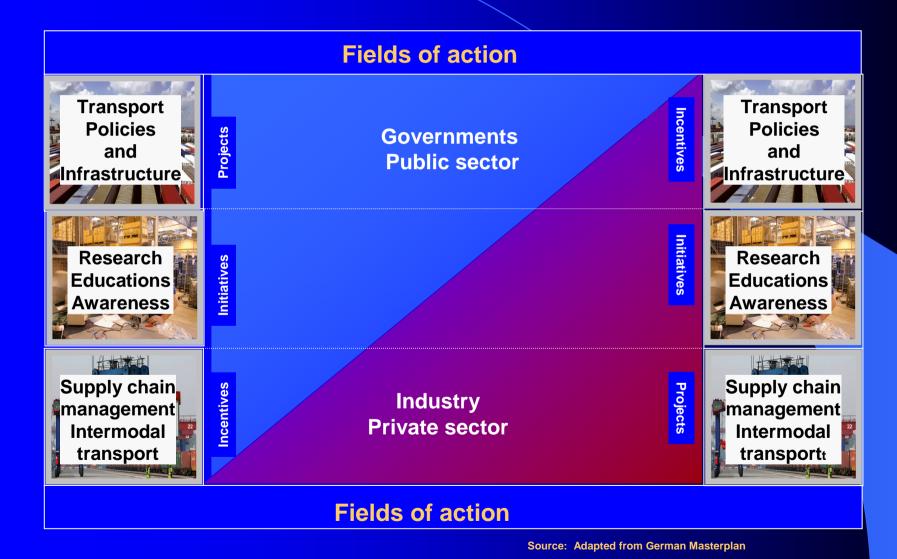
#### Primarily a business activity

- Supply chain management
- Organization of freight transport
- Planning and operation of intermodal transport
- Construction and operation of terminals (distribution)

#### Governments play a complementary role

- Transport policies
   (level playing field among actors and modes, safety, land use, sustainability, security, etc.)
- Transport infrastructure (networks, terminals, etc.)
- Research, education and awareness
   (ITS, professional training, public perception, etc.)

# Role of Governments in freight and intermodal transport



## Role of Governments in the design and management of intermodal transport

#### Activities at national level

- Masterplans on freight transport and logistics
- Logistics plans, network design, strategic land-use planning

#### Activities at sub-regional level

Freight Logistics Action Plan (European Commission)
 (e-freight, ITS, training, benchmarking/best practices, documentation, liability, dimensions, green and urban transport corridors)

#### Activities at UNECE level

- International policy and regulatory measures
- International transport infrastructure and performance
- Exchange of policy information and best practices

## Role of UNECE in the design and management of intermodal transport

- International policy and regulatory measures
  - Monitoring and analysis of national measures to promote intermodal transport
    - Survey of Government policies
    - Policy check-list or tool-box (pros and cons)
  - Logistics "Model" Action Plans and Partnership Agreements
    - Review of existing "models"
    - Insertion of logistical requirements and benchmarks
    - Insertion into AGTC and its Protocol on IWT
  - Civil liability regime for pan-European intermodal transport
    - Analysis of UNCITRAL convention
    - Review of alternative solutions (focus: European land transport)
  - Logistics indicators and statistics
    - Review of public and private intermodal transport statistics
    - Contributions to development of logistics indicators

# Role of UNECE in the design and management of intermodal transport

- International transport infrastructure and performance measures
  - Review of existing AGTC infrastructure and performance standards
    - Identification of interoperability standards and benchmarks
    - Revision and/or addition of minimum standards into AGTC
  - Optimization of transshipment and logistical procedures
    - Procedures for optimum location (land-use planning)
    - Criteria for efficient construction and operation procedures
    - Adequate PPP procedures (best practices) ?
  - Improvements in port hinterland transport
    - Identification of capacity challenges (DIOMIS, etc,)
    - Insertion of minimum infrastructure and performance standards into AGTC, AGC and AGR

# Role of UNECE in the design and management of intermodal transport

- Exchange of information and best practices (research, education, awareness-raising)
  - Concepts, design, weights and dimensions of intermodal loading (transport) units
    - Monitoring by UNECE secretariat
  - Experiences in preparation and implementation of national logistics action or master plans
    - Exchange of best practices
  - Intelligent transport systems (ITS)
    - Monitoring of such systems by secretariat
    - Preparation of compendium of such services

### Procedure: Adoption of a revised work programme

- Review of expert group proposals (March 2009 – WP.24)
- Adoption of new work programme proposals (October 2009 – WP.24)
- Approval of revised work programme (February 2010 – Inland Transport Committee)

### WP.24 and ECMT documentation "Logistics and intermodal transport"

#### Official documentation:

2008: ECE/TRANS/WP.24/2008/4

ECE/TRANS/WP.24/2008/1

2007: ECE/TRANS/WP.24/2007/3

2004: CEMT/CS/TIL(2004)9 2003: CEMT/CS/COMB(2003)4 1994: TRANS/WP.24/R.64

1993: TRANS/WP24/R.53

**Recent reports of WP.24:** 

ECE/TRANS/WP.24/119

ECE/TRANS/WP.24/117

ECE/TRANS/WP.24/115

and informal notes and documents by UNECE and ECMT



### www.unece.org/trans/wp24

