



Logistics Business Forum

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Mission Statement ESC

‘The prime objective of ESC is to promote efficient and competitive freight transport services to enhance the competitiveness of companies conducting business in Europe.’



Logistics today

Challenges that we face:

- Macro level
 - tight labor market
 - stringent environmental policy
 - declining space
 - enhanced security measures
 - declining public investment

- Micro level
 - no attention for logistics in the boardroom



Tight labor market

- Upcoming shortage of logistic employees
 - aging of the labor population
 - logistics is ‘not sexy’
- Risk on outsourcing of logistic activities
 - Logistical planning in India?
 - Decreasing roll of European hubs?



Stringent policy

- EU roadmap for 2050:
 - dramatically reduce Europe's dependence on imported oil and cut carbon emissions in transport by 60%
 - 40% use of sustainable low carbon fuels in aviation; at least 40% cut in shipping emissions.





Declining space

- Intensive use of transportmodes
 - road
 - rail
 - water
 - air
- Continues battle between transport of goods and people



Security measures

- More attention for security since 09/11, programs like C-TPAT, AEO and Known Consigner are enrolled
- Trade compliance





Declining public investment

- Governments have less money to invest in infrastructure





Company level

- At company level the position of logistics is not much better:
 - In a survey on relevant departments in a company logistics was hardly mentioned
- ‘logistics is the result of business’
- ‘logistical costs are inescapable, so we rather focus on marketing and sales’



Company level

- There is, however, a lot to gain, e.g.
 - J.I.T. deliveries as a sales argument
 - Efficient logistics reduce cost
 - Origin of the products can reduce the amount of import duties
 - Correct use of incoterms 2010

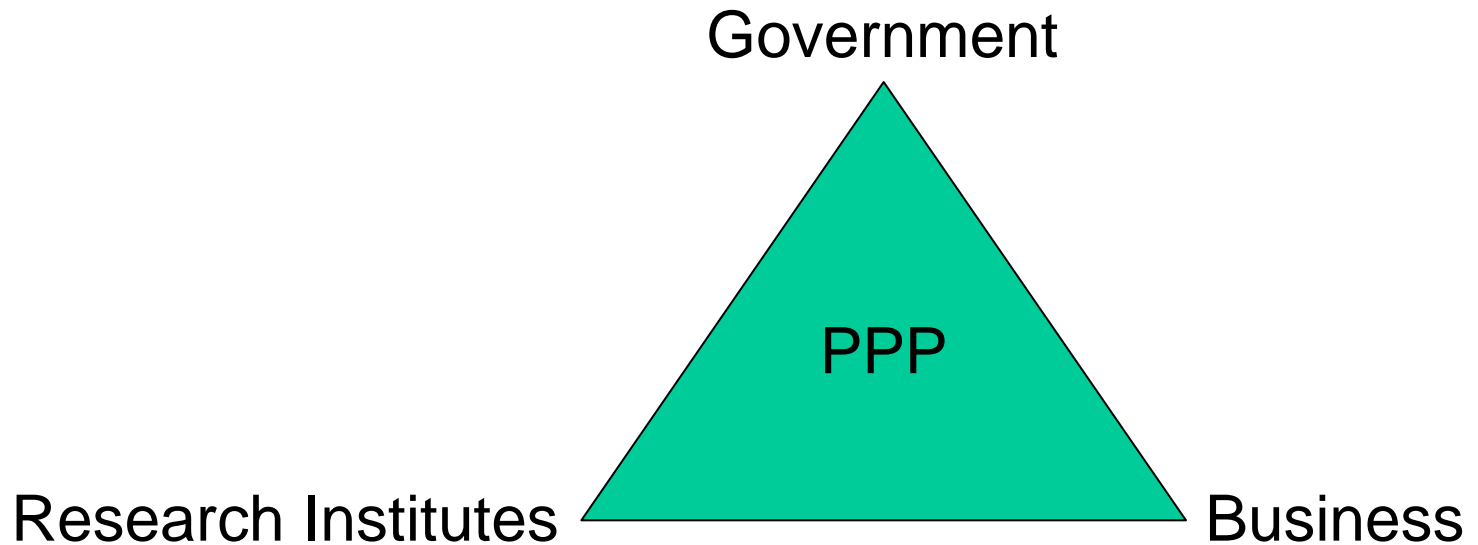


Company level

- There is, however, a lot to lose, e.g.
 - Naming and shaming by being ‘non-compliant’ (aka brand protection)
 - Risk of being on a ‘black list’
 - Risks that can not be recovered financially from the customer

Macro level

- There are answers:



Public Private Partnership

- Market and government work together
 - common interests
 - re-use of data
 - B2G & G2B
- Monitoring a level playing field
 - role of the government
 - market mechanisms



Topsector Logistiek

- In 2020 the Netherlands has an international position:

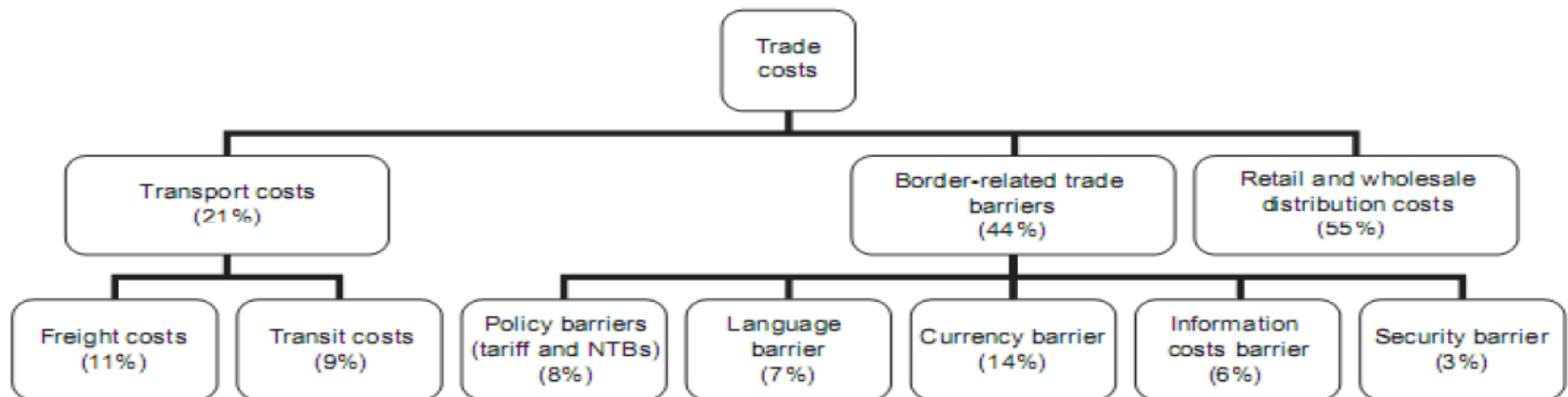
- in the settlement of commodity flows;
- chain as director of (inter)national logistics activities;
- a country with an attractive business climate for innovation and shippers and logistics business.

| | LPI ranking |
|----|----------------|
| 1 | Germany |
| 2 | Singapore |
| 3 | Sweden |
| 4 | Netherlands |
| 5 | Luxembourg |
| 6 | Switzerland |
| 7 | Japan |
| 8 | United Kingdom |
| 9 | Belgium |
| 10 | Norway |

NLIP

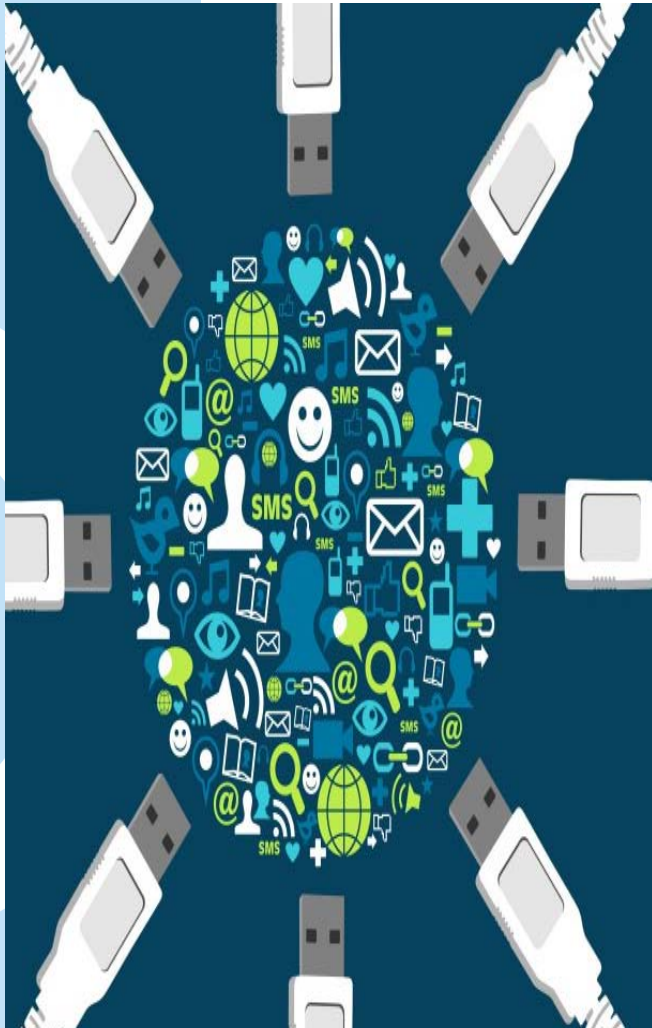
- Enhance supply chain visibility in order to simultaneously improve business operations and the efficiency and effectiveness of government security inspections.

Figure VIII. Estimated trade costs in industrialized countries



Source: P. De, 2007, drawn from J.E. Anderson and E. van Wincoop, 2004.

NLIP



- Plug and play
 - Connection of parties in the chain
 - Semantic interoperability
- Information Sharing
 - Linked open data
- Exploit opportunities in communities
 - Agree on interfaces
 - New applications, apps



NLIP

- One standard
- Open ICT-platform and app's
- Benefits for both government and business
- Neutral identity



Europe

- In Europe there are similar initiatives, based on a PPP





Conclusion

- Logistic strategies dealing with short economic cycles ask for cooperation in a macro perspective
- PPP constructions provide benefits for both governments and business
- Both parties must be aware of the gains