



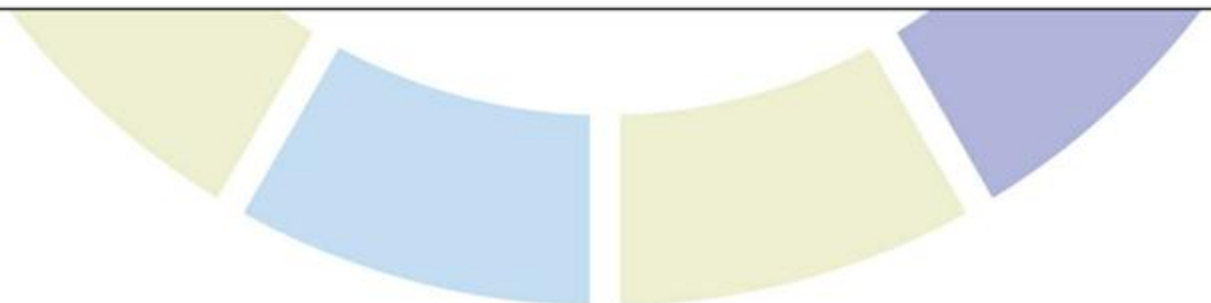
## **2011 Annual Polis Conference**

# **Distribution systems – optimising sustainability**

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# Eurocommerce

- Commerce federations in 31 European countries; international, European and national federations representing specific commerce sectors and leading individual companies
- Commerce is over a billion times a day the link between manufacturers and 493 million consumers.
- It is a dynamic and labour-intensive sector, generating 11% of the EU's GDP.
- Over 95% of the 6 million companies in commerce are small & medium-sized enterprises.
- Over 30 million Europeans work in commerce + millions of dependent jobs throughout the supply chain from



# The supply chain – the way to the store

- Transport and logistics are crucial for commerce!
- Urban distribution is crucial for commerce!
- Logistics can account for 10-15% of the final cost of finished products – and increasing
- Products and raw materials are sourced locally and globally
- Goods travel far or short; goods are fresh or dry: transport needs to be flexible, efficient, on-time

# Challenges facing commerce

Commerce faces many challenges:

- Consumers demands and expectations
- Health and safety requirements (temperatures, storage, hygiene)
- Resource scarcity, food prices
- Sustainability, environment and climate change
- EU, national and local legal requirements
- ....and transport/logistics

# Challenges in transport and logistics

- Is it possible to combine efficient logistics with sustainability and environmental targets?
- Difficulties:
  - external factors
    - Infrastructure
    - Lack of coordination amongst authorities
    - Need for technological developments
  - Internal factors:
    - Reduce costs
    - Ensure availability
    - Low inventory, frequent journeys etc

# Urban transport

- “the last mile” a particular challenge for commerce and retail:
  - No modal choice (lorries/vans)
  - Local requirements relating to noise, access restrictions, weight, parking
  - Air quality requirements
  - Charging, costs
  - Recognition of the importance of commerce for urban areas
- Shop access for customers also crucial!
  - Shops in city center or shopping malls outside?

# Barriers

- Congestion – need for complete solutions: freight and persons
- Rail transport – alternative !? – single wagon load or full train
- Fuel quality and alternatives
- Customs clearance
- Product information/labelling
- CO2 calculator(s)
- Investments and financing

# Opportunities

- Logistics contributes to meeting customers' demands in a efficient and responsible manner
- Innovation – companies and authorities (but financing?)
- ICT can increase efficiency and reduce environmental impact – solutions already exist
- Alternative propulsion
- Dialogue with other stakeholders and authorities



# Solutions

- Effort to develop alternatives – rail, combined, inland waterways – reduce dependence on road
- Focus on load factors – better information on flows, planning etc within company.
- More efficient loading units and equipment
- Better combination of different kind of goods
- Using KPIs – develop suppliers
- Focus on vehicle developments
- Public-private partnerships
- ICT

# Final observations

- Retail/commerce in unique position to bring together all efforts – and make it happen
- Focus on specific targets – optimising, improving, pooling, cooperate
- No “one-size-fits-all” solution – allow for diversity
- Dialogue solves more problems than no dialogue
- Financing – limited resources, limits to consumer price increase
- Planning – certainty - harmonisation
- Public – private partnerships

# Read more

- Eurocommerce:
  - [www.eurocommerce.be](http://www.eurocommerce.be)
- Retail forum
  - [http://ec.europa.eu/environment/industry/retail/issue\\_papers.htm](http://ec.europa.eu/environment/industry/retail/issue_papers.htm)

# Thank you for your attention

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