



#### **SEMINAR**

# Capacity-building for the development and operation of dry ports of international importance

Integrated logistics and economic development

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Transport has ceased to be a wholly independent function, to become an integral part of the production and distribution process.

# Transport: an integrated network

Transport has emerged to be a strategic sector.

- As trade becomes more and more globalised, logistics chains become more complex, and need to be managed globally.
- Businesses endeavour to integrate supply networks across the globe, comprising several tiers of suppliers and distributors,
- Using different transport modes and carriers.
- They demand an intelligent logistics execution, managing multi-modal, multi-leg and multi-carrier integration.
- ➤ It is now the integrated transportation chain that matters, encompassing:
  - ✓ production,
  - ✓ transportation,
  - ✓ storage,
  - ✓ distribution,
  - ✓ information

#### An integrated transport system

A network of networks – that permits the greatest choice at the lowest resource cost.

One that is safe, efficient, effective, and reflective of the net economic, social, and environmental costs of service provision.

Also that serves for a composite door-to-door transit at a unified price with a single responsibility.

An integrated logistics system has major objectives:

- obtaining the lowest possible inventory levels
- > the shortest and most reliable lead times.

Inefficiencies of an unintegrated transport system are manifest in

- higher prices
- > longer journeys,
- reduced reliability,
- higher risks of damage or pilferage, and
- more complex administrative procedures.

#### Intermodal transport gathers momentum

- The cost-efficiency factor, also energy and environment considerations compel the evolution of integrated multimodal logistics.
- Intermodal transport industry continues to evolve, and in so doing, it becomes increasingly integrated with supply chain management.
  - ➤ Today, ocean carriers integrate into ports, inland terminals and landside transport links as well.
  - ➤ Multimodal operators integrate into the reverse of this chain.
  - ➤ Railways combine with port terminals, to establish a unified movement chain.
  - Road operators become logistics service providers.
  - ➤ Freight forwarders extend traditional service boundaries.

## Transport development shifting inland

For the land routes to become viable arteries of international trade and commerce, countries need to recognise the benefits of a seamless, integrated cross-border movement of traffic

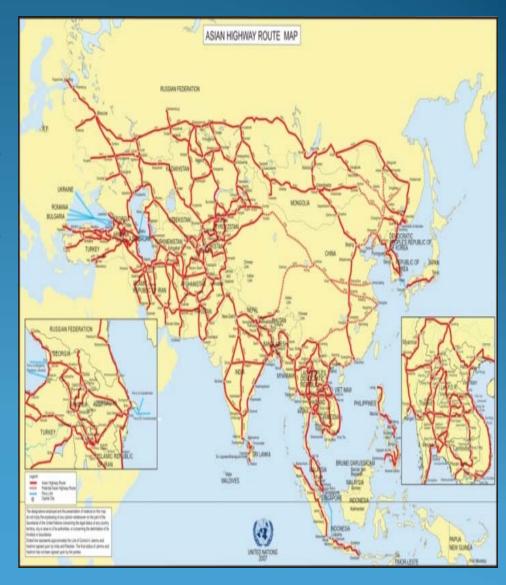
UNESCAP has been promoting the role of Asian Highway (AH) and Trans-Asian Railway (TAR)

Its concomitant aspect is the promotion of intermodal transport and

- ➤ the development of freight modal interchanges and inland ports.
- Clustering of industries around intermodal interfaces servs as a magnet for FDI.

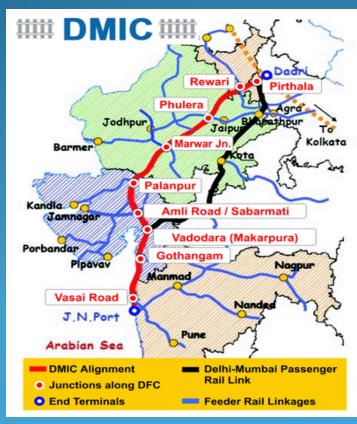
Inland port connectivity leads to a more efficient integration of the hinterland markets into the economy.

An inland freight modal interchange facility stimulates growth of other economic activities in its vicinity.



### Intermodal facilities along economic corridors

- Clustering of economic activities transforms transport corridors into economic corridors.
  - The Tokyo-Osaka industrial corridor along Japan's main rail and highway infrastructure contributed to two-thirds of country's GDP.
  - India is developing a \$90bn Delhi-Mumbai Industrial Corridor along the hinterlands of the freight corridor linking JN Port to inland industrial nodes in north and north west.





# icient logistics – sine qua non of development

cs – emerging paradigm change



https://www.yunbaogao.cn/report/index/report?reportId=5\_5567

