# Urban Logistics Innovation Day 2024

Second edition

🛗 4 JUNE 2024

• BRUSSELS

9:00 - 17:00 CET

POLIS AND DEGIONS FOR TRANSPORT INNOVATION ALICE

Alliance for Logistics Innovation through Collaboration in Europe

In collaboration with



# • Urban Logistics Innovation Day 2024 Welcome Speeches



Paola Cossu CEO of FIT Consulting & Co-Chair of the Thematic Group on Urban Logistics at ALICE



Pedro Fernandez Head of the Department of International Mobility of the City of Madrid



## Urban Logistics in Europe



**Urban Logistics Innovation Day** 

June 4th, 2024



# Logistics is a key engine that turns the global economy.

Imagine any object, food or product that you use in your daily life: a pen, the office computer, your partner's favorite coffee, the fruit for breakfast or the book on your bedside table.



Significant contribution to the European Economy:

- 1. GDP
- 2. Employment

The European freight and logistics market size is estimated at \$1.03 trillion in 2024. It is expected to reach \$1.26 trillion by 2029, growing at a CAGR of 4.11% the upcoming years.



### Logistics is a key engine that turns the global economy.

E-commerce continues to steadily grow in Europe, creating new challenges for cities. Also, since the COVID-19 pandemic, a new delivery mode, fast deliveries that bring everything to people's doors within minutes, grew significantly.

In Europe, a change in the paradigm is expected to make the logistics sector even more competitive.

The private sector is optimizing logistics processes taking measures such as:

- 1. outsourcing of production stages
- 2. outsourcing of distribution stages
- 3. specialization of production centers
- 4. implementation of distribution centers

📮 🌔

### Logistics is a key engine that turns the global economy.

Challenges urban logistics brought to cities can be summarized into four categories:

- 1. emissions and pollutions (air pollution and noise)
  - 2. infrastructure and land use
    - 3. safety
    - 4. workforce

According to Eurostat that urban freight transport in 2017 represents:

- almost 15% of the greenhouse gas (GHG) emissions
  - 30% of air pollutions
- between 10% and 20% of vehicle kilometres travelled (VKT)

Most parcels of the goods purchased online are small and light, suitable for cargo-bikes thus raising complex issues about demand for infrastructure (cycling lanes, parking) and urban space (logistics hubs in central areas), road safety, workers' right and wellbeing.



#### MADRID

Capital and largest city in Spain 3.3 million inhabitants and 6.8 million at a regional level. 7% of Spain's total population. 605.77 km<sup>2</sup>

21 districts (128 neighborhoods).

15,8 million daily trips on regional level, 13 million on urban level.

# **Urban Logistics Strategy: DUM 360**



Creation of an **application** to find out the **occupation of loading and unloading bays** The installation of **sensors** in loading and unloading bays to obtain more information on their use.

Increasing the number of zones for the delivery of goods

The extension of the timetable for carrying out logistics operations

The implementation of new signage

Creation of a **new team** to deal with **incidents in the sector** and monitor the proper functioning of the system.

The promotion of **micro-hubs** through **public-private partnerships** to encourage **night-time delivery** of goods.

The provision of new lockers for e-commerce

The creation of an Urban Logistics forum to implement other measures resulting from dialogue with the sector.

# Creation of an application to find out the occupation of loading and unloading bays

×







Horario de regulación De 8:00h a 14:00h Y de 15:00h a 20:00h

Estacionar

🗢 Cómo llegar



# Creation of an application to find out the occupation of loading and unloading bays

- Launch in October 2022
- 1 year trial period
- Mandatory use since September 2023

Features of the application

- Consult the occupancy of loading and unloading spaces in real time.
- Obtain your parking ticket
- 94,000 users registered in the system.
- Over 4,000 users registered per month over the last 3 months.



# Generation of New Urban Logistics Data



- "C" vehicles are the most common
  - Tickets for "A", "B" and "C" vehicles last 25 minutes on average. Over 25/04/2024 - JUEVES 22.255 "ECO" and "C 19:12:18 SIN DISTINTIVO 27' promedio 20:41:26 ■ 5.056 tiques 26' promedio 20:32:26 I 12.180 tiques 25' promedio **ECO** 21:09:07 3.775 tiques 31' promedio **CERO EMISIONES** 21:50:21 1.049 tiques 35' promedio

## Barriers for Urban Logistics development

- Resistance to change: Urban Logistics as a traditional sector with fixed habits and customs
- Technological and data: lack of knowledge of Urban Logistics deficits in Madrid
- Institutional coordination: significant weight of the private sector in the planning of Urban Logistics operations
- UVARs and other mobility policies: traffic restrictions that impose on the urban logistics system

### **Opportunities: international projects**

#### **European Project: UNCHAIN**

- UC1: Promotion and optimization of shared transport facilities
- UCC location and integrated planning KIT
- IT Pop-Up delivery points management tool
- Advanced Management IT cockpit for shared facilities

UC2: Efficient and safe urban logistics

Congestion forecasting and safe route planning

UC3: Dynamic and efficient curbside management

Dynamic curbside management





### **Pedro Fernandez**

Jefe de Departamento

### Ayuntamiento de Madrid

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Urban Logistics Innovation Day 2024

# **Keynote Speeches**



Fernando Liesa Secretary General ETP-ALICE



Yannick Bousse Project Adviser at CINEA Koen Mommens Professor at Vrije Universiteit Brussel (VUB)



### Research and innovation in EU funded urban freight and logistics projects

Urban Logistics Innovation Day: Physical Internet, Digitalisation & Sustainable Urban Logistics

Tuesday 4 June 2024, Brussels

Yannick BOUSSE, Project Adviser

European Climate, Infrastructure and Environment Executive Agency

Unit C3 - Horizon Europe Transport



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### **ONGOING TRANSPORT R&I PROJECTS**



# FUNDING URBAN FREIGHT AND LOGISTICS RESEARCH AND INNOVATION





European Commission

### URBANE

Aims to develop novel, sustainable, and effective last-mile logistics delivery solutions, combing green automated vehicles and shared space models.

Goals (2/5):

- **PROVIDE** evidence of the impact of Physical Internet's introduction in realworld last-mile deliveries.
- **ENABLE** transferability of innovative solutions through digital twinning capabilities and data driven decision making tools.

Bologna micro-hubs networks and light electric delivery vehicles to implement Physical Internet last mile deliveries

- Three micro consolidation centres for the transhipment of parcels.
- PI CONCEPT: Concrete step towards PI concept as two transport operators are collaborating in the distribution of the parcels in the boxes.







### DECARBOMILE



Aims to develop interoperable and multimodal logistics solutions for decarbonised last-mile delivery in urban contexts.

#### Goals (1/5):

• **INTEGRATE** optimisation and collaborative algorithms into a digital infrastructure.

#### Logroño developing track & trace & monitor (T&T&M) tools

- Providing hardware sensors and ensuring their adaptation of the delivery vehicles.
- Six sensors delivered and installed, collecting data and allowing for direct monitoring of the vehicles' operating parameters.











Aims to co-create sustainable and zero-emission last-mile delivery and return solution for e-commerce that are also attractive to consumers.

Goals (3/6):

- UNDERSTAND consumers' preferences for existing delivery offering.
- **CO-DESIGN** sustainable delivery and return options.
- **SUPPORT** local authorities in developing sustainable last-mile delivery policies.

#### Antwerp Use Case

- Increasing awareness of consumers and encouraging them to choose for more sustainable delivery options.
- Test different types of communication to customers via the web interface of the retailer to measure their impact on consumers' behaviour choice.









# *"Achieve essentially CO2-free city logistics in major urban centres by 2030"*

Transport White Paper, 2011



### DEVISE, DEVELOP AND DEMONSTRATE THE URBAN MOBILITY FRAMEWORK

City logistics **essential** to the functioning of urban economies. Increase in last-mile deliveries likely to persist.

CodeZERO GreenTurn

Collaboration between local authorities and private stakeholders need to share knoweldge on sustainble urban logistics management and planning.

DISC 🚱 unchain

Reinforced **role of urban nodes** in the revision of the TEN-T Regulation, better integration of cities as logistics hubs



Significantly increase the **roll-out of zero emission vans** used for urban logistics.



Accelerate developing and deplying sustanable solutions such as cargo bikes, new distribution models, dynamic routing, and a better multimodal connected use of urban rail and inland waterways. Optimise the use of vehicles and infrastcuture...

More work is necessary at EU level on assessing the need for more urban freight data collection and sharing.







### UPCOMING FUNDING OPPORTUNITIES

Horizon Europe Cluster 5 Destination 6 – Safe, Resilient Transport and Smart Mobility for passengers and goods Deadline 5 September 2024

#### HORIZON-CL5-2024-D6-01-06

Optimising multimodal network and traffic management, harnessing data from infrastructures, mobility of passengers and freight transport

#### HORIZON-CL5-2024-D6-01-07

Scaling up **logistics innovations** supporting freight transport decarbonisation in an affordable way

#### HORIZON-CL5-2024-D6-01-09

Policies and governance shaping the future transport and mobility systems

HORIZON-CL5-2024-D6-01-11

Effects of **disruptive changes in** transport: towards resilient, safe and energy efficient mobility

Further info: Funding & Tenders Portal



### MORE IN OUR RECENT PUBLICATIONS



# Thank you



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Urban Logistics Innovation Day 2024

# **Keynote Speeches**



Fernando Liesa Secretary General ETP-ALICE



Yannick Bousse Project Adviser at CINEA Koen Mommens Professor at Vrije Universiteit Brussel (VUB) The latest trend of Physical Internet – A Report from the International Physical Internet Conference (IPIC) 2024

#### Fernando Liesa

#### Secretary General

Alliance for Logistics Innovation through Collaboration in Europe







#### ALICE Roadmap Towards Zero Emissions Logistics

Alliance for Logistics Innovation through Collaboration in Europe



#### Link to the document





© Smart Freight Centre and ALICE-ETP based on A. McKinnon 'Decarbonizing Logistics' (2018) Roadmap Towards Zero Emissions Logistics 2050. ALICE (2019) www.etp-alice.eu

1 Report credible emissions and set science-based reduction targets





Alliance for Logistics Innovation through Collaboration in Europe





freight transport and logistics is climate neutral and zero emission

Physical Internet paves the way to achieve this transition in an affordable way





Link to PI Roadmap





Cities-Regions and Companies working together

Guide for advancing towards zero-emission urban logistics by 2030

December 2021



IPIC 2024 general takeaways



- **Physical Internet more and more relevant** with initiatives in Australia, Canada, China, Europe, Hong Kong, Japan and USA.
- **Common challenges /opportunities** for logistics worldwide: energy transition implications, intermodality, driver shortage & transport capacity, efficiency & load factors / digitalization and technologies.
- Japan creates obligation for Chief Logistics Officer in big corporations and creates the Physical Internet Realization Council
- PI concepts applied internally in individual company logistics networks: *Physical Intranets* e.g. e-commerce parcel delivery networks.
- Physical Internet is more than transport and logistics: Modular construction/manufacturing



**10<sup>th</sup> IPIC anniversary conclusions:** 10 years ago we had many question and very few answers, we are getting more and more answers, but also more questions are opening

<complex-block>

alic

Synchromodal Urban Delivery Service Project in Bordeaux, France. Olivier Labarthe, Kedge Business School, France

Panel Discussion: Louis Faugere (Amazon), Eric Ballot (Mines Paris Tech), Rod Franklin (KLU) & Olivier Labarthe (KEDGE Business School)

- Local/regional authorities have a growing impact on urban logistics:
  - → Plan and regulate access to space, infrastructure and other aspects creating a framework for urban logistics.
- Importance vs resources allocated. 1-6 Billion € externalities of logistics vs 1-2 persons in charge of managing urban logistics in local/regional authorities (e.g. Paris,/IIIe de France)
- Local/regional authorities have a gap in understanding the flows of goods in their geographical scope → Key for proper planning and space allocation and evaluation of measures.
  - Mobile data used to detect and classify movements of all types of objects: GDPR compliant
    *"When you see the data you realize people need to make decisions without proper information"*

#### IPIC 2024 – highlights on Urban Logistics: Innovative examples





Complex zone (source : V. Salphati, 2023)

Alliance for Logistics Innovation through Collaboration

Using combinatorial auctions to allocate parcel logistic services in Hyperconnected City Logistics. Simon Kwon, Walid Klibi, Mathieu Dahan and Benoit Montreuil



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Unlocking the Future of Last Mile Delivery: Automated, Smart, Secure & Sustainable Solutions Right to Your Doorstep. David Ruth, CEO, MOTOGO Systems, USA

Fully Automated Secure Delivery to the Front Door Overcomes the current robotic delivery limitations: Customers do not have to meet the robotic delivery Delivery is physically anchored upon arrival Simplified robotic enabled reverse logistics Simple initiation of deliveries from the home Move delivery to off hours: reduced congestion & emissions Maximize delivery resource utilization and lower costs Driving containerization to the customer → reduce packaging waste (Ref: MOTOGO)
"THE GREATEST DANGER FOR MOST OF US IS NOT THAT OUR AIM IS TOO HIGH AND WE MISS IT, BUT THAT IT IS TOO LOW AND WE REACH IT."

Michelangelo

# alice

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## Thank you!

## The Best Way To Predict The Future Is To Create It!

Source: President Abraham Lincoln

If you want to go fast, go alone If you want to go far, go together

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Urban Logistics Innovation Day 2024

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Yannick Bousse Project Adviser at CINEA Koen Mommens Professor at Vrije Universiteit Brussel (VUB)





Alliance for

# **Physical Internet**

Prof. Koen Mommens

**Urban Logistics Innovation Day** 4 June 2024 - Brussels

#### Vision

Future logistics, from global to urban, will be founded on a global open system of systems enabling assets and resources in logistics networks to be interconnected facilitating their use to the maximum capacity and productivity while increasing agility and resilience of supply chains. We call this vision the **Physical Internet (PI)** and it will support the affordable transition of assets towards **Zero emissions logistics**.



# Awareness Avoidance Act & shift Image: State of the state of the

nsolidatio Centre

Direct deliveries

## Anticipate



#### Macharis and Kin, 2016

## **Physical Internet**



## Physical Internet roadmap in urban logistics



- Defining and assessing new opportunities and business models by 2025
- 2. Efficient and **automated** distribution systems by 2035
- 3. **Sustainable** & **integrated** urban logistics in city mobility by 2050



# Defining and assessing new opportunities and business models

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Lighthouse Living Labs: Helsinki (FI), Bologna (IT), Valladolid (ES), Thessaloniki (GR)

Twinning Living Labs: Barcelona (ES), Karlsruhe (DE)

Follower Cities: Aarhus (DK), Antwerp (BE), La Rochelle (FR), Mechelen (BE), Prague (CZ), Ravenna (IT)



2 minutes reading time

### Madrid: Urban Consolidation Center supported by a Digital Twin

Madrid is an important logistics hub, located within the Atlantic and the Mediterranean TEN-T corridors. Since the pandemic outbreak, the city experienced a substantial increase in

Read more...  $\rightarrow$ 

27/03/2024

2 minutes reading time

#### Rome SULP: Physical Internet as backbone for future freight transport

The annual growth rate of urban logistic market is more of 8%. This rate is expected to remain stable at least until 2030.

Read more...  $\rightarrow$ 

https://marketplace.eiturbanmobility.eu/bestpractices

sustainability

MDPI

Article Tackling Fragmented Last Mile Deliveries to Nanostores by Utilizing Spare Transportation Capacity—A Simulation Study

Bram Kin <sup>1,\*</sup>, Tomas Ambra <sup>1,2,3</sup>, Sara Verlinde <sup>1,\*</sup> and Cathy Macharis <sup>1</sup>





MDPI

A City Logistics Distribution Model: A Physical Internet Approach

Jianxun Li<sup>1</sup>, Haoxin Fu<sup>2</sup>, Kin Keung Lai<sup>3,\*</sup> and Bhagwat Ram<sup>4</sup>

#### and many more...





## Physical Internet by 2035-2040, but



#### Zero emission target for urban logistics will not be 2050

"achieve essentially CO<sub>2</sub> -free city logistics in major urban centres by 2030" (European Commission - White Paper Transport 2011)

"At the latest by 2025, city centres will be served only by emissionfree vehicles" (Vlaams Regeerakkoord 2019) Ghent mainly emission-free logistics in city centre by 2030

35 zero-emission zone for urban logistics confirmed throughout Europe

(Clean Cities Campaign, 2022)

#### **Earlier PI deployment for urban logistics is desirable**





#### PILL (Physical Internet Living Lab)

- Lack of trust hampers implementation and opportunities
- Unlocking the Potential of the Physical Internet: a Trustenabling Decentralized Process Sharing Connector

#### Table 1 Definition of the Trust Drivers for PI

Trust Driver	Explanation			
Adoption	Trust in a partner's decision-making regarding routes, policies, and technologies that affect joint outcomes.			
Altruism	The commitment to prioritize collective benefits over individual interests within collaborative settings.			
Compliance	Adherence to agreed norms, standards, and obligations, ensuring reliability and predictability in collaborations.			
Confidentiality	The assurance that data and cargo information are accessible only to authorized parties, safeguarding against unauthorized exposure.			
Control	The ability to exercise authority over one's data and cargo, ensuring decisions align with individual or organizational preferences.			
Interest	The anticipated personal or organizational gains derived from participation in collaborative endeavours.			
Reputation	The perceived reliability based on an entity's historical behaviour and adherence to ethical standards.			
Transparency	The clarity and availability of relevant information and the traceability of assets, fostering openness and accountability.			



Figure 2 Survey results on the perceived importance of the trust drivers.

Sun et al., 2024



- Urban logistics is the segment with most experience in collaborative logistics
  - Large amount of good and bad practices, e.g. urban consolidation centers
  - Large amount of research on collaborative logistics in cities
  - Biggest willingness to test and implement collaborative logistic activities by the market
  - ⇒ BUILD UPON THE EXISTING EXPERIENCE (academic, public authorities and industrial)
  - ⇒ START WITH ACTORS INDICATING THE NECESSARY WILLINGNESS (e.g. use urban logistic networks like Green Deal)



- Trends in urban logistics in favour of PI
  - Zero-emission zones => charging infrastructure nodes, consolidation, cargo-bikes
  - Increasing access restrictions and related costs
  - Al in logistics
  - Proximity logistics 15 minute city
  - $\Rightarrow \mathsf{INTEGRATE PHYSICAL INTERNET}$ DEVELOPMENT WITH TRENDS



Fig. 4. Contrasting company-dedicated integrated logistics and hyperconnected logistics for retail supply chains (Adapted from Hakimi et al., 2012)





- Public authorities are part of it
  - 10% of vehicle-kilometers
  - Planner, manager of nodes
  - No problem with 'altruism', 'adoption' and 'transparency' in trust framework
     => RESEARCH POSSIBLE INTEGRATION
     INTO BUSINESS MODELS AND
     GOVERNANCE

#### LET'S COLLABORATE



Alliance for Logistics Innovation through Collaboration in Europe



## Get in touch with us: WB mobilise

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https://mobilise.research.vub.be/

Urban Logistics Innovation Day 2024

## Session I - Let's hear from policy makers – EU, national level and cities



Paola CHIARINI Policy Officer at DG MOVE - European Commission



Anna PATYNEN Special Adviser, Finnish Transport and Communications Agency (Traficom)



Willem VAN HEIJNINGEM

Strategicst at department of Mobility & Public Space, City of Amsterdam



#### Stefan VAN DORP

Policy advisor for freight transport, City of Utrecht

Facilitated by Raffaele VERGNANI, Urban Freight Cluster Lead at POLIS



# The TEN-T urban nodes and EC's priorities in research

Urban Logistics Innovation Day - Physical Internet, Digitalisation & Sustainable Urban Logistics | 4<sup>th</sup> June 2024

Paola Chiarini Unit Innovation and Research DG Mobility and Transport

## New EU Urban Mobility Framework: Zero-emission city freight logistics and last-mile delivery



City logistics **essential** to the functioning of urban economies. Increase in last-mile deliveries likely to persist.



**Collaboration** between local authorities and private stakeholders needed to share knowledge on sustainable urban logistics management and planning.



Reinforced role of urban nodes in the revision of the TEN-T Regulation, better integration of cities as logistics hubs.



Significantly increase the rollout of zero emission vans used for urban logistics.



Accelerate developing and deploying sustainable solutions such as cargo bikes, new distribution models, dynamic

routing, and a **better multimodal** connected use of urban rail and inland waterways. Optimise the use of vehicles and infrastructure and reduce the need for empty and unnecessary runs.



More work is necessary at EU level on assessing the need for more urban freight data collection and sharing.

# Expert Group on Urban Mobility (EGUM): subgroup on urban logistics

**EGUM:** to assist the Commission in **implementing** the new EU urban mobility framework

### **EGUM sub-group on Urban Logistics**

2

Sustainable urban logistics planning

1

Data sharing for zero emission urban logistics

How to ensure that sustainable urban logistics planning (e.g. SULPs), supported by specific KPIs, is fully integrated in the SUMP framework, and linked to long-haul freight transport; How to support dialogue and voluntary data sharing between all types of stakeholders (public and private) to make urban freight transport more efficient, sustainable and competitive; how to define a data collection process and evaluation approach; Accelerated deployment of innovative sustainable solutions

How to advance deployment of zero emission vehicles and enabling infrastructure (including urban rail and inland waterways), and optimise their use; how to accelerate the deployment of innovative, fair and sustainable (zero-emission, less congestion) solutions.

# Revised TEN-T Regulation: Better link between long-haul and urban freight transport in TEN-T

- Better integrating the urban dimension and last mile connectivity into the TEN-T network
- Avoiding that urban areas become bottlenecks of strategic transport corridors



- Improved integration of wider network of 432 urban nodes
- Specific provisions / requirements for urban nodes



## What is an urban node?

**Urban node criteria: more than 100,000 inhabitants** or main node of a NUTS 2 region in case no city above 100,000 inhabitants

Article 3 – definition of an urban node:

- 'urban node' means an urban area where elements of the transport infrastructure of the trans-European transport network for passengers and freight,
- such as ports including passenger terminals, airports, railway stations, bus terminals, multimodal freight terminals,
- located in and around the urban area,
- are connected with other elements of that infrastructure and
- with the infrastructure for regional and local traffic,
- including infrastructure for active modes;

Annex II - List of <u>432 urban nodes</u>

# Some urban nodes requirements (1/2)

## **Sustainable Urban Mobility Planning**



#### by 31 December 2027

Adoption and monitoring of a **sustainable urban mobility plan** (SUMP) for each urban node

- long-term, integrated freight and passenger mobility plan for the entire functional urban area
- to integrate the different modes of transport and shift towards sustainable mobility
- to promote efficient zero-emission mobility including sustainable and zero-emission urban logistics
- Local authorities shall make all effort to ensure that SUMPs are in line with the guidelines in Annex V.

#### **SUMP support framework**

Member States shall support urban nodes to adopt and implement their SUMP:

- designate a national SUMP contact point and
- establish a national
  SUMP programme

# Some urban nodes requirements (2/2)

### Multimodal freight transport



by 31 December 2030



#### by 31 December 2040

For freight transport:

- sustainable, seamless and safe interconnection between rail, road, and, as appropriate, inland waterway, air and maritime infrastructure as well as appropriate connections with logistics platforms and facilities;
- Subject to a socio-economic cost-benefit analysis,
- development of at least one multimodal freight terminal if such a terminal does not already exist,
- within or in the vicinity of the urban node,
- allowing for sufficient transhipment capacity within or in the vicinity of the urban node.
- One multimodal freight terminal may serve several urban nodes

## Digitalising freight transport and logistics

## European Mobility Data Space (EMDS)

- To facilitate access, pooling and sharing of data from existing and future transport and mobility data sources, taking into account existing legislation and initiatives
- <u>Communication</u> Creation of a common European mobility data space published in Nov 2023
- EU co-funded <u>deployEMDS</u> project ongoing: data sharing use-cases, including urban logistics

#### **Urban Vehicle Access Regulations (UVARs)**

- Aim: Seamless UVARs & improved Road User Information, Digitalisation & Data creation
- EU Expert Group on Urban Mobility: <u>Recommendations 05/2024</u>
  - defining new urban logistics schemes,
  - consultation with social partners in commercial road transport,
  - coordination of the restrictions between different UVAR's

Digital Transport and Logistics Forum (DTLF)

## R&I on urban mobility and logistics in Horizon Europe

Cluster 5 - Multimodal and sustainable transport systems for passengers and goods

- Sustainable and smart long-haul and regional (including links to urban) freight transport and logistics, through increased efficiency and improved interconnectivity.
- Reduced external costs (e.g. congestion, traffic jams, emissions, air and noise pollution, road collisions), optimised systemwide network efficiency and resilience.

#### **Climate neutral and smart cities Mission**

- Deliver at least 100 Climate-neutral and smart cities by 2030
- Ensure that these cities act as
  experimentation and innovation
  hubs to pull all European cities in a
  position to become climate-neutral
  by 2050

## R&I projects on urban mobility and logistics



# Mission for Climate-Neutral and Smart Cities work programme 2024

2024	Funding scheme	Expected contribution per project EUR M	Expected projects to be funded	Budget in WP EUR M
HORIZON-MISS-2024-CIT-01-01: Rethinking urban spaces towards climate neutrality	IA	15	3	45.00
HORIZON-MISS-2024-CIT-01-02: Zero-pollution cities		5.00	4	20.00
HORIZON-MHORIZON-MISS-2024-CIT-01-03: Mobility Management Plans and Behavioural Change	CSA	5.00	1	5.00
HORIZON-MISS-2024-CIT-01-04: Integrated peri-urban areas in the transition towards climate neutrality	IA	9.00	3	28.00
HORIZON-MISS-2024-CIT-02-01: Supporting national, regional and local authorities across Europe to prepare for the transition towards climate neutrality within cities	CSA	3.00	1	3.00

# Thank you

#### Paola Chiarini

#### Paola.CHIARINI@ec.europa.eu



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Urban Logistics Innovation Day 2024

## Session I - Let's hear from policy makers – EU, national level and cities



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Facilitated by Raffaele VERGNANI, Urban Freight Cluster Lead at POLIS



## **Current Policies from National Authority Perspective Related to Urban Logistics**

Urban Logistics Innovation Day 4th June 2024, Brussels

Anna Pätynen, Special Advisor (Transport System) The Finnish Transport and Communication Agency



# National-level policies related to urban logistics in Finland

- Logistics Digitalisation Strategy (<u>10/2020</u> Ministry of Transport and Communications)
- Government resolution on the Logistics Digitalisation Strategy (2/2021) currently being updated
- National Transport System Plan 2021-2032 (<u>10/2020</u> Ministry of Transport and Communications) – currently being updated for years 2025-2036
- MAL Agreements concerning land use, housing and transport 2020–2031 (concluded by the State of Finland with the seven largest urban regions) - *currently being updated*
- The National Urban Strategy 2020–2030 (<u>9/2020</u> Ministry of Finance in collaboration with other ministries)
- Medium-term Climate Change Policy Plan: Towards a carbon-neutral society (7/2022 Ministry of the Environment) – currently being updated
- Programme to improve the distribution infrastructure for new fuels in road transport in Finland by 2035 (3/2023 Ministry of Transport and Communications) – currently being updated and shall cover all transport modes

Implementation of EU and national regulation coordination and cooperation with stakeholders (public and private sector)

e.g. AFIR, eFTI, TEN-T etc.

#### талтісом

## **Logistics Digitalisation Strategy**

**Infrastructure, Logistics and Data as a functional package** - moving towards efficient and sustainable logistics by means of digitalisation and achieving efficiency, safety and sustainability benefits

#### Urban logistics in the action plan includes optimized fleets and capacity

- Sustainable procurement and investment by increasing the responsibility and rights of clients or through legislation
- Improved access to data will enhance freight transport optimization and delivery consolidation
- Collaboration between cities and businesses to streamline first and last-mile deliveries (smaller delivery vehicles and developing standardized loading units)
- Quiet electric vehicles for short-distance deliveries will allow for less disruptive day and night deliveries, with real-time data on charging locations and improved infrastructure for electric vehicle charging at loading zones and parking areas for loading.
- Data sharing solution development optimize transport, provides better opportunities for freight consolidation through local logistics centers and joint-use freight exchanges
- Better opportunities for freight consolidation for businesses and more flexible delivery options for consumers for online and grocery deliveries, promoting a diverse and market-based range of services





#### Талтісом

## National Transport System Plan and National Urban Strategy

#### National Transport System Plan's actions on urban logistics relate e.g. to

- urban logistics development through legislation and targeted research and innovation funding and cooperation between central and local authorities
- promotion of low-emission urban logistics through land use, construction, and public procurement solutions
- data-sharing platforms and sharing principles and roles
- ▶ Infrastructure: roads, streets and electric vehicle charging, also digital infrastructure

#### National Urban Strategy and urban logistics

- cities serve as natural platforms for expertise, research & innovation, and business
- public service production and collaboration structures support skills development and employment
- people and goods move smoothly and sustainably
- a full-scale digital and data leap is possible with wellfunctioning communications connections and interfaces
- accessibility between and within cities is a key factor to nation-wide success

#### TRAFICOM

Links in English: Transport System Plan link and Urban Strategy link



#### Medium-term Climate Change Policy Plan and Distribution Infrastructure for New Fuels in Road Transport

#### Medium-term Climate Change Policy Plan

The current measures are not sufficient to attain emission reduction objectives. Actions needed to close the gap

- First phase
  - Replacing fossil fuels with alternative transport fuels
  - Renewal of the vehicle fleet
  - Improving the efficiency of the transport system

#### Distribution infrastructure for new fuels in Road Transport relates to

- subsidies for the construction of electricity, hydrogen and methane distribution infrastructure
- subsidies for the acquisition of heavy equipment

TRAFICOM Links in English: Medium-term Climate Change Policy Plan link





## **Summary**

- At the national level in Finland, urban logistics is promoted as part of the digitalisation of logistics
- Urban logistics is part of the national transport system plan. Urban logistics themes are also included in agreements concerning land use, housing and transport between the state and regions.
- National coordination and cooperation is relevant with stakeholders (both public and private sector)



# Thank you!

# Context Amsterdam and logistics in cities

• Challenges Amsterdam: Growth, Maintenance, Social, Sustainable

- Public Space: green, utilities, meet and stay, peace, mobility, logistics, commercial activity, parking
- Qualities: accessibility, livability, safety, inclusive, sustainability, healthy, social and economical vitality
- Scar <u>cities: space, infrastructure</u>, means, capacity, resources/material, energy, time





# Amsterdam logistics strategy and implementation

30%

20%

15%

Dienst-

7%

Pakket-

loreca 14%

- Collaboration "Logistiek020"
- Clear ambitions, rules and measures
- Understand, learn and use data
- Zero emission zone + charging
- Transport over water
- Hubs
- Optimizing instruments
- Make plans for different area's
- Research



## **Sustainable!**

## Climate neutral Circular


Gemeente Amsterdam

## **R-Innovation**

## What aRe connections between logistics and circular economy?

Urban Logistic Innovation Day, Brussels, June 4 2024, Willem van Heijningen



Change to more sustainable modes of travel

**TRAVEL EFFICIENTLY** Improve the sustainability of trips





# Logistics becoming circular:

- Real Estate
- Means of transport: trucks, vans, ships, planes
- Contributing to circular economy:  $\rightarrow$  supply chain/logistic system



#### CIRCULAR SUPPLY CHAIN





### **X** Logistic Chains

- 7 segments  $\rightarrow$  differendes in requirements of chains
- Fragmented (lots of companies with different historically developped chains





### **R** connections logistics and circular economy

Reduce

Refuse

- Reuse
- Repair/Refurbish
- Repurpose
- Recycle
- Recover



- Logistics
- **Right product**
- **Right quantity**
- **Right condition**
- **Right place**
- **Right time**



**Consolidation?** 

- Locally? Regionally? Nationally, Internationally?
- **Right customer**
- **Right price**

## How can we design from holistic view

The chains will become circular and different - different also per segment, item

Connections with

- Amounts and ways of packaging
- Planning (data, digitization, AI)
- Emission free transport and circular means of transport
- Transport infrastructure
- Urban planning
- •

→ Totally new logistic system: R-Innovation!



Locally Regionally National International

### Session I - Let's hear from policy makers – EU, national level and cities



Paola CHIARINI Policy Officer at DG MOVE - European Commission



Anna PATYNEN Special Adviser, Finnish Transport and Communications Agency (Traficom)



Willem VAN HEIJNINGEM

Strategicst at department of Mobility & Public Space, City of Amsterdam



#### Stefan VAN DORP

Policy advisor for freight transport, City of Utrecht

Facilitated by Raffaele VERGNANI, Urban Freight Cluster Lead at POLIS

## The Road to Futureproof Logistics – where does it lead?







## Implementation plan urban logistics 2023-2026

#### Goal

Making urban logistics more sustainable and efficient (smarter) by 'taking control'

- 5% less logistics movements in 2026
- 50% less emissions form urban logistics
- 10% modal shoft (boat and bike)

#### How?





## Implementation Plan Urban Logistics 2023-2026





#### **Access Policy**

- Now:
  - already many restrictive measures for the protection of wharf cellars
- Future (2024/2025)
  - Smaller window times for fuel vehicles
  - Increase window times area
  - Impose a ban on heavy traffic (+ 7500 kg)







Dagen	Tijden	Voorwaarden
Every day	06.00 — 10.00	All vehicles
Every day	06.00 — 12.00	Electric Vehicles
Friday till wednesday	19.00 — 21.00	Electric Vehicles
Thursday	21.00 – 23.00	Electric vehicles



#### **Space for Logistics**

- Logistics programme requirements
- Quality transport network
- Truck parking











#### **Modal Shift**

- Transport by water
- LEV / Cargobikes













#### **Bundling**

- Urban Logistics Hubs
- Neighbourhood parcel hubs
- Construction logistics
- Subsidies to promote bundling









Bestaande hubs in Utrecht, Bron: BCI (2024). Database Stadsdistributiehubs

Type hub	Ruimtevraag Utrecht 2030		Huidige hubruimte in gebruik	Additionele vraag 2024-2030	
	m²	Hectare	Hectare	Hectare	
1. Bezorghub fietskoerier	5.400	0,5	0,2	0,4	
2. Cross-dock locatie	53.600	5,4	1,1	4,3	
3. Stadsregionaal fulfilment center	114.700	11,5	10,3	1,2	
4. Bouwhub	58.700	5,9	2,1	3,8	
5. Neutrale stadshub	82.000	8,2	2,1	6,1	
Totaal	314.400	31,4	15,7	15,8	



#### **Smart Logistics**

- Monitoring
- Visibility
- Smart Access
- Smart loading and inloading
- Predictability?







### **Smart Access**



### Session I - Let's hear from policy makers – EU, national level and cities



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## Coffee break

#### See you back at 10:50

POLIS alice

Alliance for Logistics Innovation through Collaboration in Europe

#### In collaboration with



## Coffee break

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Session II - Let's talk about collaboration: Physical Internet, digitalisation and vision of logistics service providers



Ioanna FERGADIOTOU Head of Athens Lab, INLECOM



Bart VANNIEUWENHUYSE Partner & Co-Founder, TRIVIZOR



Alfonso MOLINA Innovation Project Manager, City-Login



**Panellists** 

**Pierre FILS** Director Group Sustainability, BPost



Johan LEVEQUE Director Research and Development, La Poste

Facilitated by Hans SCHURMANS, Proximus & Co-Chair of the Thematic Group on Urban Logistics

#### **Main Challenges**



#### **PI in last-mile logistics**





#### motivation & ambition







This project has received funding from the European Union's Horizon Europe research and innovation programme under grant agreement No. 101069782

#### **Intervention levels to achieve transition**



Business, Operations Governance



Digital infrastructure Automation & Enablers



**Social Innovation** 



**Innovative Vehicles** 



Physical Infrastructure









#### **Bologna Living Lab: PI last mile deliveries**



#### **Physical Infrastructure**





#### **Planning through simulations**





ID: 2	Date	Lockers	Last Milers	Deliveries	Vehicles	Light Truck	Investment	Labor Cost	Projection Years
Name: Urbane-LMbqditC	10/4/2024	=	12	đ	5	Diesel		٢	Ē
Scenario: 3	10:04 π.μ.	3	2	30	5	S 25 3 45 P 9000	1000	2	3






### **Digital Twins Platform**



'Containarised' models

#### Logged in as urb\_test

#### **Smart Contracts Generator**

	Contract Templates     Green     All Selected     Events Only     Rules Only	Contract N Contract Integration 1.1.1.180 Select Acti GEL Prox Select Eve Order re Order re Order de Select Rul Missing of Inava	ame D Selection of Sum answer mitsum gistered X Order arrived at warehouse X Order trieved from compartment X Order delivered X gistered to secondary location X Return to sender a essue essue eread, understood, and agree to the Terms and Co cation.	Include Gre DID did:urbane:4bf41d4e70 in compartment x Order not delivered x x it x Inditions and Privacy Policy of the	een Evaluation?	0 0 0	Last Mile Events	EVENT DESCRIPTION Order Confirmed Order arrived at locke	Select Contract Contract A COMMUNITY Bologna r. Bologna	× V CONTRACT NAME test test	Select Shipment SHIPMENT ID 1 2	· · · · · · · · · · · · · · · · · · ·
ockchain Services Dashboar Ontracts	rd CREATED BY	VERSION	INTEGRATION POINT	eate Contract	CREATED AT	UPDATE:	<u>Contracts</u> Shipments There is a breach for contract <b>C</b> regarding shipment <b>1</b> : Missing E now <b>Create New Contract</b>	Last Mile Events ontract B vents				
Contract D	GEL Proximity	1.0.1	1.1.1.1:80	0	2024-04-10		1					
Contract C	GEL Proximity	1.0.2	1.0.1.0:80	0	2024-04-08	2024-04	-10					
Contract B	GEL Proximity	1.0.1	1.0.1.0:80	1	2024-04-09		1					
Contract A	GEL Proximity	1.0.1	1.0.1.0:80	2	2024-04-10		1	_				

### **Transferability Enablers**







Planning Impact Assessment Radar SULPs

#### **Digital Twinning Platform**

Simulation Models Feasibility Studies

#### **Smart Contract Generator**

Collaboration Agreements Governance



### Paving the way to PI in last-mile logistics



\*\* Funded by
\*\* the European Union

### Thank you!



#### Ioanna Fergadiotou

#### **INLECOM INNOVATION**

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Session II - Let's talk about collaboration: Physical Internet, digitalisation and vision of logistics service providers



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## Integrated urban logistics system

### **Guiding principles**

For a holistic system approach

0 R

**Bart Vannieuwenhuyse & Alex Van Breedam** 





- The World's first Cross Supply Chain Orchestrator
- ≡ Since November 2008
- $\equiv$  2 private shareholders







# Urban Logistics System Initiatives & experiences

- E CULT Collaborative Urban Logistics & Transport for Shippers - Antwerp
- "Wij.leveren" joint distribution platform Public & Private - Leuven
- E Neutral distribution terminal Oslo
- E CULT+ Collaborative Urban Logistics & Transport for Shippers & LSPs - Brussels
- Urbane smart last mile logistics various cities
- OECD Urban Logistics Hubs vision paper (2023) Paris
- ≡ TRI-VIZOR's positioning paper (2012 > 2024)

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# Urban Logistics System Our mission

Outlining the path to integrated urban logistics with a comprehensive system approach.

--> developing a detailed roadmap for structural sustainable and efficient urban logistics









2 goals



CHAIN

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**THE WORLD'S** 

# Urban Logistics System 3 policy layers

Strategy	t otocols	Modelling strategies/scenarios	Mobility vision and plan with freight flows/logistics included - Integrative, inclusive and fair		
Tactics	ata mgm ds and pr	Modelling design of system(s)	Holistic (multi-layer) urban logistics system – zoning and clustering – <i>smart and obvious</i>		
Operations	D Standar	Modelling optimization options	Operations excellence efficient, effective and sustainable		

≡ Data as enabler

■ Platform as connector

One-to-one connection

Using platform technology



© 2024



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# **Urban Logistics System -5** disciplines

- Spatial planning Ξ
- Infrastructure Ξ
- $\equiv$  Market of demand and supply
- **Business development and branding** Ξ
- Innovation
  - Holistic approach





# **Urban Logistics System -**6 functions

- To connect Ξ
- To collect Ξ
- To distribute Ξ
- To (re)position Ξ.
- $\equiv$  To combine
- To store Ξ

Balance between coupling & decoupling



# Urban Logistics System Guiding principles

	Key principle for urban logistics	Motivation - clarification	Main goal
	Consolidation	Bundling, clustering and pooling – asset or capacity sharing – collaboration - "more with less"	Scale - efficiency
	Decoupling	Transhipment – replenishment & last mile & last-last mile – from supply- driven towards demand-driven	Agility
	Multimodal	Combination of various transport networks (road, rail, water, undergroud and air) – various vehicle types – integration - synchronisation	Sustainability
	Connectivity	City of Things (cfr. IoT) – hub & spoke – hyperconnected network – data sharing – community or ecosystem design	Robustness
	Open access	Standards and harmonization – protocols - infrastructure on public domaine - neutral assets – white label – common assets	Effectiveness
	Public-private	Urban logistics deal – alignment – multilateral agreement – multi- stakeholder covenant	Balance
	Orchestration	Governance – organization of collaboration – community or ecosystem building and management - monitoring	Fairness



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# Urban Logistics System Public-private dichotomy





# Urban Logistics System Zoning or Districting



In this schematic example, gains from 18% to 45% are recorded for the respective LSPs through districting, i.e. fewer vehicle kilometers.

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# Urban Logistics System – "The City of Things"

- 1. new logistics model or paradigm: smart or "more with less" logistics;
- 2. goals: cost reduction combined with value creation;
- management levels: strategic vision and plans; tactical systems and operational excellence;
- 4. components: the UCC, the micro hub, the nano hub, the locker;
- disciplines: spatial planning, multimodal infrastructure, market of supply and demand, business development & branding and innovation;
- 6. functions or tasks that shape transport and logistics: to connect; to collect; to distribute; to reposition; to combine and to store;
- 7. logical principles for the logistics of the future: consolidation; decoupling; multimodal; connectivity; accessibility; public-private and orchestration.

Towards the "Physical Internet (PI)"

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Т



### TRI EVIZOR THE WORLD'S FIRST CROSS SUPPLY CHAIN ORCHESTRATOR®

#### Contact

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Round Table A -Application of Physical Internet in urban logistics

Find your group in your badge

Name Surname Affiliation

# Lunch break

## See you back at 13:45

**POLIS** alice

Alliance for Logistics Innovation through Collaboration in Europe

#### In collaboration with



# Lunch break

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## Session III - Efforts made by cities and businesses to decarbonise urban freight



**Joshua WEST** Project Officer at C40



**Pierre FILS** Director Group Sustainbility at BPost **Sébastien HOREMANS** CEO, SmilePickup

Facilitated by Marion COTTET, Project Manager on Urban Logistics at ALICE



Successful city-business freight collaborations

### International case studies and best practises

Joshua West Zero Emission Freight Project Officer C40 Cities jwest@c40.org



#### Agenda

- 1. C40 intro and transport vision
- 2. Urban freight goals and barriers
- 3. What can cities and businesses do
- 4. Regional spotlights



C40 is a network of nearly 100 world-leading cities collaborating to deliver the urgent action needed to confront the climate crisis.





London Mayor Sadiq Khan, Co-Chair of C40 Freetown Mayor Yvonne Aki-Sawyerr, Co-Chair of C40



### **The C40 Cities network**



C40 CITIES

**Directly representing just under 600** 

Influencing approximately 900 million

people living and working in the wider

million residents

city

Transportation

C40 supports cities to create sustainable transport strategies which prioritise people-friendly streets over space for cars.







## C40's unique role

With our network of nearly 100 cities around the globe, we help cities accelerate the uptake of zero-emission freight systems by:

- Connecting cities to share best practices.
- Managing on-the-ground technical assistance projects.
- **Convening** cities, academics, private sector and technical experts.
- Hosting webinars and dynamic working groups.





### Urban freight goals




#### Zero emission freight barriers



C4O CITIES

#### European City-Business Roundtable: September 2023









C40 CITIES

148

# What can cities do

## • Put freight on the agenda.

- Provide regulatory certainty.
- Build internal capacity.
- Serve as enabler.
- Create forums for publicprivate knowledge sharing.

# What can businesses do

- Make ambitious commitments.
- Build internal capacity.
- Lead on innovation.
- Start now.
- Share lessons learned and data.



# London

#### Stakeholder Advocacy and Engagement

• Dedicated internal TfL team to manage freight stakeholder engagement for London

#### Annual Freight Forum

• Freight and logistics operators, business groups, local borough councils and TfL

#### **LoCity**

- TfL program to help the freight and fleet sector improve air quality and reduce carbon emissions
- City receives direct feedback from the freight community and shares key policy updates on initiatives e.g. London scrappage scheme

#### Freight Policy Advisory Group

 Working group to develop, create and promote freight policy – current and emerging. Much smaller, specific focus.





# **Rotterdam, Brussels**

#### Rotterdam

Zero Emission Zone for City Logistics Covenant

- 75 private sector signatories (up from 56 since launch)
- Commitments and progress reporting
- Jointly address challenges and opportunities
- Attend the city logistics advisory group

#### <u>Ecostars</u>

- 1000+ companies (mostly SMEs)
- Members receive free advice and auditing on clean and smart logistics of their company

#### Brussels

#### Green Deal on Zero Emission Urban Logistics

- Launched in April 2023
- 50 businesses signed an agreement to implement more sustainable urban logistics practises, setting their own commitments every two years.





# Berlin, Oslo, Paris

#### Berlin

- X2 micro logistics hubs at <u>Te-Damm and Alexanderplatz train</u> <u>stations</u>.
- Partnership between the local borough district and Deutsche Bahn.

#### Oslo

- <u>CityHUBs</u> X3 distribution hubs in the Filipstad borough.
- Strong public and private collaboration Urban Environment Agency arranged increased power supply to the area.

#### Paris

- <u>Îlot fertile</u> winner of the call for projects "Réinventer Paris" launched by the City of Paris.
- Urb-It operating in a distribution hub as part of the new residential development.



# **Logistics hotels**

- A new type of large logistics facility on municipal land
- Multistory, multi-user, multifunctional design
- Logistics occupy the main area, often in the basement and first floor, with other uses located on the upper levels: offices, sports facilities, shops.

#### <u>Examples</u>

Lyon - Urban Logistics Hotel (top right)

Paris - Chapelle International *(bottom right)* / Vitry logistics hotel / Bercy-Charenton logistics hotel





# **North America** San Francisco, Los Angeles, NYC

#### San Francisco

- New city-led public / private working group.
- Part of the city's <u>Eco-Friendly Downtown Delivery Study</u>

#### Los Angeles

- <u>Transportation Electrification Partnership</u>
  - Multi-year public-private partnership 30 +members
  - Serving as a model through piloting the nation's first zero emissions delivery zone
- LACI initiative

#### NYC

- Freight advisory committee
- <u>Clean Trucks Programme</u> So far, 659 diesel trucks replaced.
- Blue Highways Open call for private sector collaboration
  - Request for Information and Expressions of Interest (RFEI) model)
- <u>Off-hour delivery program</u> consortium of business partners.





# **North America** Seattle, Boston, Portland

#### Seattle

- <u>Commercial E-cargo Bike Program</u>
- Creating external advisory group to inform programme designs and encourage participation

#### Boston

- Boston Delivers e-cargo bike delivery service
- Subsidised deliveries for SMEs
- Extensive stakeholder engagement throughout led to recalibrated customer focus

#### Portland

- Zero Emission Delivery Zone pilot project
- Building partnerships with stakeholders to refine and prototype concepts, and report on results



# **Latin America**

# Laneshift

## Objective

Accelerate the deployment of zeroemission freight vehicles in Latin American cities



#### Workstreams



## Projects

- Mexico City -Environmental Self-Regulation and Electromobility Programme
- Bogotá -Environmental Vehicle Labelling



# Latin America Mexico

# Mexico City, Bogotá

#### **Mexico City**

- Environmental Self-Regulation and Electromobility
   Programme
  - 500+ e-LDVs introduced through the programme
  - Connecting businesses to OEMs
  - Development of labor inclusion strategies or training programs

#### Bogotá

- Environmental Vehicle Labelling
  - Objective to reach 65,000 cargo trucks in the city
  - 2-year voluntary programme
  - Pilot developed with the city, industry, and freight transporters over many months



C40

CITIES



#### Final thoughts

- Early involvement
- Regular conveenings
- Targeted discussions
- SME inclusion
- Pilot project to permanent practice





# Thank you!



Joshua West Zero Emission Freight Project Officer jwest@c40.org Urban Logistics Innovation Day 2024

# Session III - Efforts made by cities and businesses to decarbonise urban freight



**Joshua WEST** Project Officer at C40



**Pierre FILS** Director Group Sustainbility at BPost **Sébastien HOREMANS** CEO, SmilePickup

Facilitated by Marion COTTET, Project Manager on Urban Logistics at ALICE

# bpostgroup urban logistics



# bpost Belgium

#### Activities

- The commercial and operational management of **letter mail**, press, periodicals and **parcel delivery** in Belgium.
- Postal and financial services in a dense network of 657 post offices with 2600 service points in total.



# Ecozone: 3 pillars : more than electrification



#### Pick-up points at walkable distance

- Consolidation of volume
- ✓ First time right
- ✓ <400m from inhabitants</p>

#### Soft mobility

- Bikes and e-trailers
- ✓ Reduce pressure on cities

#### **Electrification of fleet**

e-vans and charging infastructure

ECOZONES cover all these elements to make cities more livable.



# **Ecozone: 3 pillars**









## Ecozone positive impact on bpost/customer ecological footprints

#### **Reduction of CO2 emission**

- > 97% bpost
- > 80% customer

#### **Change in behavior**

- 78% pick up the parcels at < 500m</p>
- > 85% pick up the parcels on foot or by bike



\*Berekend volgens rekenmodel VUB Mobi op basis van interne bpost organisatie gegevens, periode feb 2020 tot en met feb 2021

**MUB** 

# Ecozone: with & by our colleagues









Mijn ronde is uitstootvrij Ma tournée est sans émission

Jean Martin Bruxelles Sud / Bruxelles Zuid















# **Ecozone: Learnings**

#### **Key success factors**

- lab independent of business
- (limited) budget
- "C-"level sponsorship
- short decision line

#### Roll out - key steps

- Identify economic impact
- Address difficult questions
- Identify strategic impact
- Identify strong sponsorship

#### Key learnings

- change mgt is key (eg field, bonus)
- link with other aspects of

sustainability (eg tyres for Taxonomy)

- strong technical and project mgt
  - & strong field specialists

# You make us move. Refit plue di la marie Parce que je roule 100° i terr

Urban Logistics Innovation Day 2024

# Session III - Efforts made by cities and businesses to decarbonise urban freight



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# SmilePickup/Smil@Al

### S Horemans – M Fagot ALICE - 2024



# Introduction

- Smile Pickup is a European
   specialist of XL collection points
- Nearly 280 XL pickup in France, 27 in Spain (with partners), 3 in Belgium
- Important Investment in R&D : 5 scientific publications since 2022
- A company with a strong corporate social responsibility (CSR)



# The SmilePickup mission is ...

To offer last-miles solutions and services to make life easier for our customers through two types of SmilePickup Pickup Points:

- SubUrban Pickups
- Urban Pickups

with a pan-European network of pick-up points for all types of parcels

To meet the needs of Europe's urban areas for greener logistics.





French Startup created en 2018

First french XL pickup points network

300 *Pick-up* XL opened (400 in 2025)



# Europa



# 27 PP in Spain3 PP in Belgium







# Member of ALICE (UE)



Alliance for Logistics Innovation through Collaboration in Europe



# The SmilePickup concept

- We currently have a majority of pick-up points in exclusive partnership with supermarkets, transport companies and associations (reintegration of people in difficulty), which has enabled us to roll out our services rapidly.

- Eventually, we work to roll out our concept on our own or as a franchise, with all the associated services. 3 pickups for the end of 2023, 9 for the end of 2024.



# The Westfield partnership

We opened our first pick-up point in Europe's largest shopping mall in Lyon. By the end of 2025, we aim to have opened 16 SmilePickup stores in WestField shopping centers in France.

Then we should open all Westfield European shopping centers (61 in Europa).

Westfield is the world leader in shopping centers.



# News

For the sixth year running, SmilePickup was profitable, with double-digit growth (12% EBITDA). We are launching our second capital increase to pursue our development.



# The problems specific to our business

- Finding the right locations for our pickup points
  Anticipate flows at our pickup points
- Optimize the supply to our pickup points
- The solution : Smil@AI, an unsupervised artificial intelligence solution dedicated to the last mile, which has been the subject of 5 international scientific publications



# Finding the right locations for our pickup points

- Using over 100 variables (proximity to shopping centers, highways, population typology, etc.) we were able to determine 400 locations thanks to our artificial intelligence engine.
- Only a few addresses had to be corrected by our staff
- Smil@AI enabled us to define the target map for our sites in France. We're working on the rest of Europe.



SMILE POCKUP

# Anticipate flows in our pickup points

- Our business is highly seasonal, depending on the product. For example, furniture peaks in December, January, July and August. Other criteria may come into play: pandemics, elections, economic climate, etc...
- Smil@AI enables us to anticipate these variations, by anticipating the means of transport and the space available at pick-up points.


### Optimize the supply to our pickup points

In 2022, we had to take charge of transporting XL IKEA orders to our collection points. This was a totally new business for us.

Thanks to Smil@AI, we cut our transport costs by 40% between 2022 and 2023. We expect a further double-digit reduction in 2024.



## Smile Pickup : Optimisation of an applied routing problem Matthieu FAGOT : researcher SMIL@AI



### Introduction



SMILE POCKUP

### Introduction

#### The **objective** is to

build a set of routes in order to deliver a maximum number of parcels while :

1: minimising the distance travelled and the cost of the vehicles used.

2: satisfying the constraints of the specific Smile Pickup Problem



### Our goal

1 - Build an efficient framework to solve a large variety of complex vehicle routing problems

2 - Being able to adapt the solution to the client's need and specificity.

### Our solution

1 - Use a Large Neighborhood Search Framework (flexible, simple, efficient)

2 - Reinforcement Learning to adapt to the client's problem and enhance the performance of LNS.

(m)

### Large Neighborhood Search

It is a method for solving optimisation problems that consists of moving from one

solution to a neighbouring solution in order to explore the solution space.

To do this, we need to define ...

Deteriorating movements : worst point removal, cluster removal, ...

Constructive movements : greedy heuristic, regret heuristic, ... and a general strategy: Large Neighborhood Search

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SMILE POCKUP

### Large Neighborhood Search



### Adaptive Large Neighborhood Search



### **Deep Reinforcement Learning**





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### Reinforcement Learning Large Neighbourhood Search



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### **RL-LNS : comparison of ALNS and RL-ALNS models**

					_
Size of instances	100	200	400	600	9250
Nb of instances	56	60	60	60	9000
Optimal Scores	724235	1159467	2306460	3454744	0 8750
Scores RL- Alns*	761209 (+5.1%)	1206650 (+4.0%)	2436410 (+5.6%)	3662839 (+6.0%)	00 00 00 00 00 00 00 00 00 00 00 00 00
Scores Alns	767096 (+5.9%)	1226700 (+5.8%)	2446917 (+6.1%)	3680176 (+6.5%)	Litne Eitne
Average gain in vehicles	- 1/2 vehicle	- 2 vehicles	- 1 vehicles	- 2 vehicles	8000

#### Comparison of RL-Alns, Alns and optimal solutions depending on instance size

The results are obtained by averaging the scores over 10 executions of each instance.

\* The RL-Alns models were trained on 18 instances of size 100.



### Contributions

1 - Optimisation de la sélection des opérateurs d'un algorithme Adaptive Large Neighborhood Search par de l'apprentissage par renforcement profond, M Fagot, L Devendeville, C Lucet, 25eme ROADEF, 2024.

2 - Adaptive Local Search for a Pickup and Delivery Problem Applied to Large Parcel Distribution, M Fagot, L Devendeville, C Lucet, *International Conference on Opitmization and Learning*, 2023.

3 - Adaptive Large Neighbourhood Search pour un problème appliqué de Pickup and Delivery avec fenêtres de temps, M Fagot, L Devendeville, C Lucet, 24eme ROADEF, 2023.

4 - Problème de tournées de véhicules avec fenêtres de livraison multiples chez Smile Pickup, M Fagot, L Devendeville, C Lucet, 23eme ROADEF, 2022.

5 - Adaptive Large Neighbourhood Search for pickup and Delivery problem with time windows, M Fagot, L Devendeville, C Lucet, 21th EU/ME meeting x Quantum School, 2023

SMILE POCKUP

# Thank you for your attention

## Do you have any question?



Urban Logistics Innovation Day 2024

Round Table B -Addressing future challenges - circular economy

Find your group in your badge



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# **Coffee break**

### See you back at 15:30

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Urban Logistics Innovation Day 2024

Session IV: Let's talk about data sharing for policy making and impact monitoring

Facilitated by Yanying LI, Head of Programs and Knowledge Management at ALICE

Urban Logistics Innovation Day 2024

### Session IV - Let's talk about data sharing for policy making and impact monitoring

Speaker



**Joris BECKERS** 

Research Professor at the University of Antwerp

Facilitated by Yanying LI, Head of Programmes and Knowledge Management at ALICE **Panellists** 



Tom **ANTONISSEN** Executive Director at European Parking Association



Anton RENARD Mobility Consultant, City of Antwerp



**Bart LANNOO** Innovation Director, BE-Mobile



Johan

LEVEQUE

Director Research and

Development, La Poste

Joris BECKERS Research Professor at the University of Antwerp



# Data for urban freight policy

Joris Beckers Research Professor Urban Transport Universiteit Antwerpen





### **Research team**

- EU: GREEN-LOG, GreenTurn, MoLo hubs
- FL: STRAUSS, R!SULT
- Summer School on Urban Logistics



Summer School | 19 - 30 August 2024

• •5PhD students & 4 Postdocs
• •2 INTERREG, 3 HEurope, 1 MSCA, 1 VLAIO

### **Convenant Mechelen**

#### **3.7 DATA**

#### Engagement

Verder inzicht verkrijgen in de omvang van stedelijke distributie tijdens de venstertijden. Het verder verfijnen van de logistieke profielen en hun aandeel.

#### Acties

#### **Stad Mechelen:**

 In samenwerking met een academische partner zullen data verwerkt en geanalyseerd worden. Verder beleid en maatregelen worden hierop gebaseerd. De stad onderzoekt ook hoe data op een anonieme manier kunnen gedeeld worden. Het aanleveren van data moet op een zo eenvoudig mogelijke wijze gebeuren zonder dat dit bijkomende IT-gerelateerde investeringen vergt. Samen met de academische partner en de ondertekenaars van het convenant wordt bepaald welke data gedeeld kunnen worden.

#### Logistieke sector en handelaars:

 Logistieke spelers en handelaars zullen hun data delen, zodat de stad de impact van het convenant kan meten. Zo wil de stad KPI's vastleggen en jaarlijks evalueren op basis van het percentage duurzaam gereden kilometers. De stad garandeert dat deze anoniem worden verwerkt en geanalyseerd.

### Data – what for?

1. Observe

What is going on? – Understand actors, their behavior and their needs

2. Plan and Act

What to do? – Know what to do, for who, in what location

3. Evaluate

*How is it going? –* What and how to measure progress on targets

### 1. Observe - actors

#### **Transport decisions**

- From #pallets to trips
- Allocation of sites to vehicle
- Vehicle mode



#### **Construction site**

- Planned orders
- Instant orders
- Time of delivery

Source: Beckers et al. (2022). Managing household freight: The impact of online shopping on residential freight trips. Transport Policy.

#### **Logistics decisions**

- From #orders to #pallets
- Warehouse
- Delivery consolidation
- Return flows?



### 1. Observe - behavior

#### Establishment data

- Delivery profile, i.e. the *demand*
- Receiver-perspective
- Establishment surveys, carrier data, sensor...



#### **Carrier data**

- Supply profile, i.e. the *operation*
- Carrier-perspective
- OBU data, carrier data, ANPR data, sensor...



### 1. Observe – behavior & needs



All deliveries

Failed deliveries

### 2. Plan & act – what?

For (undesired impacts exist):

If (clear urban freight objectives):

identify quick wins, high potentials, long term needs

else:

define policy objectives

### →Is not an easy process

→ Study

#### → Pilot

### 2. Plan & act – what?



Share of Parcel Deliveries by Carrier by Year and Number of Deliveries by Day of the Week, 2015–2019. (Rodgrigue, 2020)

### 2. Plan & act – what?



### 3. Evaluate – what and how?

- Turn policy objectives into freight KPIs
  - No truck in school zones
  - Minimum 80% loaded
  - XX% of trips by bike
  - Zero-emissions by 2030
  - ...
- Keep it simple:
  - Clear message
  - Feasible data collection

### 3. Evaluate – what and how?

Impact Category	KPIs		
	1.1 Job opportunities created		
	1.2 Improved quality of jobs created		
	1.3 Reduced congestion		
1.Societal	1.4 Increased public awareness of sustainable urban delivery solutions		
	1.5 Acceptance of sustainable urban delivery solutions		
	1.6 Improved neighborhood life quality		
	1.7 Increased safety		
	2.1 Saved energy consumption		
	2.2 Reduced CO2 emissions		
	2.3 Reduction NOx emissions		
. Environmental	2.4 Reduced particulates		
	2.5 Reduced noise pollution		
	2.6 Land use (sq used of the facilities)		
	3.1 Increased benefits for local businesses		
	3.2 Reduced cost of urban logistics services		
. Economic	3.3 Improved service level of urban logistics		
	3.4 Improved utilization of storage space of LSPs' (fill rate of the van)		
	3.5 Increased zero-emission delivery modes of LSPs'		
	3.6 Reduced urban delivery time		
	3.7 Improved urban delivery reliability		



### Conclusions

- Understand the needs of all stakeholders and act upon them
- Establishment vs. carrier data
- Don't lose the forest for the trees:
  - An increasing amount of data sources
    - ANPR
    - OBU
    - Counts
    - Carriers
    - Establishments
    - Simulation
    - Sensors
    - ...



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O Urban Logistics Innovation Day 2024

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### Ourban Logistics Innovation Day 2024

# **Closing remarks**

Hans SCHURMANS, Co-Chair of the Thematic Group on Urban Logistics at ALICE

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