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Strategic questions of a modal and thematic nature:
Intermodal transport and logistics

Intermodal Transport and Logistics activities contributing to the Sustainable Development Agenda

Note by the secretariat

Summary

As part of its ongoing activities, the Working Party on Intermodal Transport and Logistics (WP.24) is addressing a number of issues related to the Sustainable Development Agenda. This note outlines the main findings from the two reports prepared for the fifty-ninth session of WP.24 on these topics: "Training programmes on the CTU Code" and "Green Logistics". The first report is related to SDG 3 on Health and the second looks at the wider contribution of the sector to sustainability building on the 2015 workshop "Intermodality leads to Sustainability".

The Committee may wish to **take note** of the findings presented in these two reports and **ask** WP.24 to continue to strengthen its activities, focused on facilitating innovative and cutting edge intermodal transport and logistics, with the aim of ensuring that it remains at the forefront of wider transport initiatives focused on sustainable development.

I. Mandate

1. This document is submitted in line with Cluster 6: Intermodal transport and logistics, paragraph 6.1 of the programme of work 2016-2017 (ECE/TRANS/2016/28/Add.1) adopted by the Inland Transport Committee (ITC) at its seventy-eighth session on 26 February 2016.

2. At the fifty-eighth session of the Working Party, the secretariat informed delegates about the progress of work on the Code of Practice for Packing of Cargo Transport Units

(CTU Code). The current state of activities on the CTU Code were also shared with the Inland Transport Committee at its seventy-eighth session, where delegates asked the secretariat to explore how web-based training on the CTU Code could be launched within existing resources (ECE/TRANS/254, para. 107).

3. At the same Working Party session, a workshop was held entitled "Intermodality leads to Sustainability". It was decided, as part of the follow-up activities of this workshop, that the secretariat would provide the Working Party with information on the areas where intermodal transport and logistics contributes to sustainability.

4. The aim of this document is to present a summary of the documents set out in paras. 2 and 3 above for the information of the ITC, following discussions at the fifty-ninth session of the Working Party. The full CTU Code training document (ECE/TRANS/WP.24/2016/1) and the Green Logistics report (ECE/TRANS/WP.24/2016/4) are available on the United Nations Economic Commission for Europe (UNECE) website.

II. Training programmes on the CTU Code

5. In 2014, the International Labour Organization (ILO), the International Maritime Organization (IMO) and UNECE jointly developed a new Code of Practice for Packing of Cargo Transport Units,[1] known as the CTU Code. The code proposes guidelines on the safe packing of CTUs for both the packers and unpackers. Moreover, it explicitly recommends that "Personnel engaged in the packing of CTUs should be trained in the contents of this code commensurate with their responsibilities" (Chapter 13. Training in packing the CTU). To continue its work in this area, the Working Party asked the secretariat to prepare a summary of training programmes for the CTU Code.

6. Several organizations around the world offer extensive training programmes to improve the expertise of shippers, consolidators, packers, handlers and any other body willing to learn how best to pack and handle containers. To identify the main courses available, the secretariat initiated an internet search in the three official languages of UNECE. This is by no means a comprehensive search of potential worldwide resources but provides an overview of the types of online and in-person courses that are available on the CTU Code.

7. This search showed that there are several institutions offering CTU-related training. Teaching methods encompass classroom instruction, seminars, in-house training and online courses.

8. Trainings on the IMO/ILO/UNECE CTU Code are regularly offered not only by international consulting firms specialized in the transport industry, but also by national companies and associations. The courses available vary significantly in duration and scope: from 7 hours to a few days. While some companies offer a general programme on the CTU Code, many others focus specifically on the transport of dangerous goods.

9. Online CTU Code e-learning programmes are composed of a set of courses and study modules available online. They are customisable depending on individual company needs. Moreover, participants can complete the course at their own pace or follow fixed-scheduled courses. In addition to the online course, "blended training" is also available which combines classroom with on-the-job training.

[1] A CTU refers to a freight container, swap body, vehicle, railway wagon or any other similar unit, in particular, when used in intermodal transport.

10. Some e-learning programmes are composed of four modules: the first, the Cargo module, introduces the main types of cargo, physical characteristics and highlights what can go wrong. The second, the Transport module, looks at how cargo is transported, the main types of equipment used, the forces and stresses encountered during transport and *en route*. The third, the Packing module, focuses on the preparation and the inspection of the CTU prior to packing, planning how to pack the CTU, manual and mechanical handling considerations, the packing process, securing materials, basic principles for packing and securing, closing the CTU and CTU security, documenting the shipment and insurance consideration. Finally, the Arrival module, looks at considerations when opening the CTU upon arrival, unpacking methods and inventories as well as the removal of securing materials.

11. The Working Party on Intermodal Transport and Logistics took note of the work undertaken by the secretariat in relation to training for the CTU Code and asked the secretariat, in collaboration with ILO and IMO, to explore how to gather statistics on CTU handling related incidents with the aim of understanding where the CTU Code should best be deployed. The Working Party also asked the secretariat to post news on the use of the CTU Code on its website where this information was made available.

II. Report on Green Logistics

12. With the advent of environmental regulations, companies have come under growing pressure to minimize the environmental as well as social impacts of their logistics activities. Their primary goal has shifted from only seeking to reduce economic costs and thus maximizing profitability, to adopting environmentally and socially friendly practices in their logistics operations. These 'Green Logistics' practices include strategies for the reduction of freight transport externalities, reverse logistics and green supply chain management.[2]

13. Green logistics is a multipronged concept which encompasses all measures taken to assess and reduce the environmental footprint of logistic activities. First, this supposes the environmentally friendly transportation and delivery of goods to customers, which entails: the use alternative fuel vehicles, investing in vehicles designed to reduce their environmental footprint, planning vehicle routes, and bundling customers' orders together rather than in individual parcels. Second, it is also about reverse logistics which includes the collection of used products and packaging for recycling and reuse. For example, some companies have started to recycle and then reuse discarded materials, after undertaking some recovery and remanufacturing actions (ranging from a simple cleaning of the material to a complex disassembly). By so doing, they lower the percentage of waste material going to landfill sites or being incinerated.

14. To minimize freight transport externalities, several other options are available to companies including: cutting the level of transport activity, revising the modal split of their transport operations (using services of intermodal operators), lowering the energy intensity of the transport operation (i.e. improve efficiency) and reducing the carbon content of their fuel.[3]

15. The presence of consolidation centres greatly contributes to the reduction of companies' carbon footprint, particularly in large cities where freight transportation is important. Furthermore, the consolidation of loads of several customers and the

[2] This happens because environmental legislations affect companies' supply chains and waste management.

[3] Source: The Intergovernmental Panel on Climate Change - IPCC, 2014.

coordination of shippers and carriers helps prevent the dispersal of freight in small units by poorly loaded vehicles to a multitude of locations, and thus results in lower traffic levels, energy consumption, emissions and costs.

16. In addition to green freight transportation and reverse logistics, companies translate their commitment towards the environment by integrating environmentally friendly practices within their supply chain management (known as Green (or sustainable) Supply Chain Management, GSCM).

17. Companies' green policies are sometimes seen as just reactive environmental policies, often implemented in response to government regulations or public protest. However, communities around the world are more and more conscious of the environmental impacts of various products. Therefore, environment protection is quickly becoming an important criterion behind purchasing decisions and consumer choice. Given this change in consumers' behaviour, an environmental conscience is a defining competitive factor for many companies today.

18. With this in mind, it is understandable that companies seek certification relating to the International Organization for Standardization (ISO) 14000 family of environmental standards. These certifications signal to buyers, customers, suppliers and other stakeholders that processes are in place to review environmental standards appropriately.

19. Environmental protection has also become an input into the selection of business partners (through green procurement). This approach advocates that companies adopt a broad perspective on their GSCM, as they work with their suppliers to reduce the logistics impact of material flows. Stated differently, companies now seek to improve environmental performance throughout the value chain.

20. For the world's leading companies, 'going green' is more than a buzzword, as they endeavour to turn green into gold. In fact, the use of innovative and sustainable solutions in green logistics helps them reinforce their competitive advantage through brand differentiation, which translates into higher profits, new markets and client fidelity.

21. The Working Party on Intermodal Transport and Logistics took note of the report on Green logistics prepared by the secretariat and asked that it continue informing the delegates on how intermodality leads to sustainability.

III. Next steps for Intermodal Transport and Sustainable Development

22. The activities of WP.24 continue to investigate trends and exchange best practices on areas of importance to sustainable development through the annual workshops and the regular agenda items. Efficient intermodal transport and logistics are one of the cornerstones for ensuring the achievement of the sustainable development goals. As such, the Committee may wish to **ask** WP.24 to continue to strengthen its activities, focused on facilitating innovative and cutting edge intermodal transport and logistics, with the aim of ensuring that it remains at the forefront of wider transport initiatives focused on sustainable development.