

# **CAREC Federation of Carrier & Freight Forwarder Association Meeting**

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# Presentation Outline

- Training needs identified in ADB studies
- Responses to training questionnaire
- Training program
- Supply Chain Management & Logistics Concepts
- CPMM country level analysis

# CAREC Training

**Training needs identified in ADB studies**

# Overview of Training Needs: Government

- Global Supply Chain
  - ✓ Positioning, Design, Management, Visibility
- Trade Logistics Facilitation
  - ✓ Trade Facilitation Policy & Strategy Formulation
- Trade Logistics Management
  - ✓ Regional Logistics Development Program
- Transportation
  - ✓ Regulatory & Institutional Framework Design
- Multimodal Transportation
  - ✓ Multimodal Transport Policy & Strategy

# Overview of Training Needs: Government

- Economics
  - ✓ Economic Analysis
- Finance
  - ✓ Accounting, Financial Management, Risk Control
- Project Management
  - ✓ Scope, Plan, Control, Close, Assess
- Infrastructure Development & Management
  - ✓ Demand Forecasting, Financing Techniques
- Total Quality Management (TQM)
  - ✓ Overview of Key Concepts, Process Control Tools

# Overview of Training Needs: Economic Operator

- Global Supply Chain
  - ✓ Demand & Supply Management, Inventory, Network Design, Performance Measurement, Technology
- Trade Logistics Facilitation
  - ✓ Trade & Transport Conventions, Rules, Standards
- Trade Logistics Management
  - ✓ Network Design & Management, Asset Productivity
- Transportation
  - ✓ Management, KPI, Marketing, Tariff, Negotiation
- Multimodal Transportation
  - ✓ Service Design & Delivery

# Overview of Training Needs: Economic Operator

- Economics
  - ✓ Economic Analysis
- Finance
  - ✓ Accounting, Financial Management, Investment Strategies, Funding, Risk Control
- Project Management
  - ✓ Scope, Plan, Control, Close, Assess
- Total Quality Management (TQM)
  - ✓ Overview of Key Concepts, Process Control Tools, Deliver Superior Services

# CAREC Training

**Responses to Training Needs Questionnaire**



# Responses to Training Needs Questionnaire

- Strong interest in Logistics and Supply Chain management
- Need both theory and practical application
- Delivered through combination of classroom & practical training
- Curricula customized for :
  - different student groups (e.g. policy makers, mid-level management, entry level associates)
  - specific CAREC region needs

# Responses to Training Needs Questionnaire

- Potential university partners in CAREC region
  - Tashkent Automobile & Road Institute
  - Azerbaijan Technical University
  - Beijing Jiaotong University
  - Kyrgyz-Russian Slavic University (KRSU)
- Multilateral institutions – UNESCAP
- Trade Associations – FIATA, Singapore Logistics Association
- Some CFCFA members can serve as trainers (KFFA, CIFA, AIRCUZ, UIFFA, ADBL, Mongolian Chamber of Commerce, etc)

**CAREC Training**

**Training Program**

# Objectives of Training Program

- Develop professional capacity of:
  - CAREC carriers, freight forwarders and logistics associations
  - Importers, exporters, traders, manufacturers of CAREC member countries
- Promote regional trade and transport cooperation
- Encourage dialogue among stakeholders
- Establish a regional platform for public/private interaction
- Support exchange of information, experience, knowledge and best practices

# Training Approach

- Combination of theory and practice
- Delivered at class room, on the job, eLearning and site visits
- Taught by industry practitioners and academics
- Tuition should be affordable
- Certificate given after successful course completion
- Evaluation by learners to improve future training

# Execution

- Support from RJC and NJC
- Active participation by CFCFA and its members
- Close coordination with multilateral institutions & logistics/transport/trade associations (IRU, FIATA, UIC, Chamber of Commerce etc)
- Joint programs with multilateral partners (WCO, UNESCAP, OSCE, BOMCA, etc)
- Establish a "CAREC Centers of Excellence"
- Trainer to be drawn from all CAREC countries
- Funding from both CAREC government & ADB

# Training Program Plan for Next 3 Months

- Work with stakeholders to determine Supply Chain Management & Logistics Curricula
- Identify the first "CAREC Centers of Excellence" for training
- Determine the most appropriate CAREC educational institutions to partner with.

# Potential Local Partners

- Renown CAREC region institutes of higher learning (Beijing Jiaotong University, Tashkent Automobile & Road Institute, Academy of Transport and Communications after Tynyshpaev, Kazakhstan, etc)
- CFCFA members (CIFA, AIRCUZ, KFFA, ADBL, Mongolian Chamber of Commerce etc)
- Regional trade, transport & logistics associations (Kazakhstan Chamber of Commerce)
- Local professional training institutions



# Potential USA Twinning Partners

- Council of Supply Chain Management Professional (CSCMP), USA
- American Society of Transport & Logistics
- Farmer School of Business, Miami University, Ohio, USA
- Intermodal Transport Institute, University of Denver, Colorado, USA
- Transportation Center, Northwestern University, Illinois, USA

# Potential European Twinning Partners

- The Kühne School of Logistics and Management at Hamburg University of Technology
- European Centre for Transportation and Logistics
- Delft University of Technology, Transport and Logistics' Organization
- The Chartered Institute of Logistics and Transport (CILT) in the UK

# Potential Asia & Middle East Twinning Partners

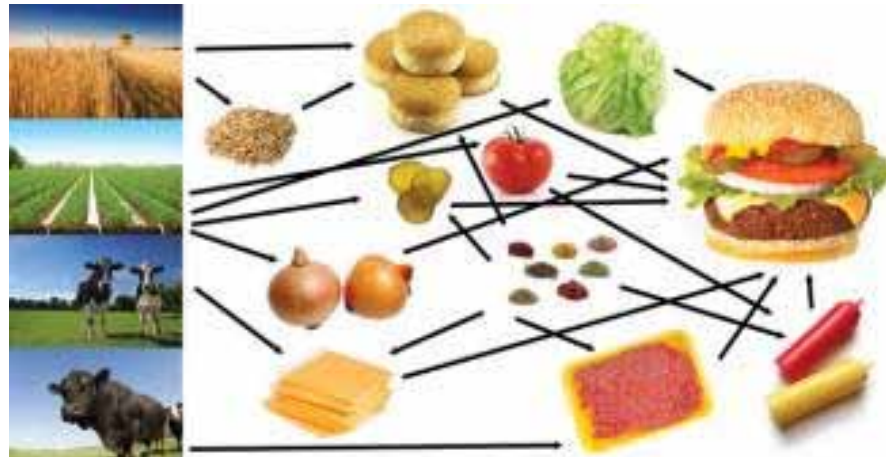
- The Hong Kong Centre for Transport and Logistics
- Singapore Institute of Materials Management
- Japan Institute of Logistics Systems
- Logistics Bureau, Asia (Bangkok)
- The Institute of International transport and Logistics (Alexandria, Egypt)

# Supply Chain Management and Logistics Course

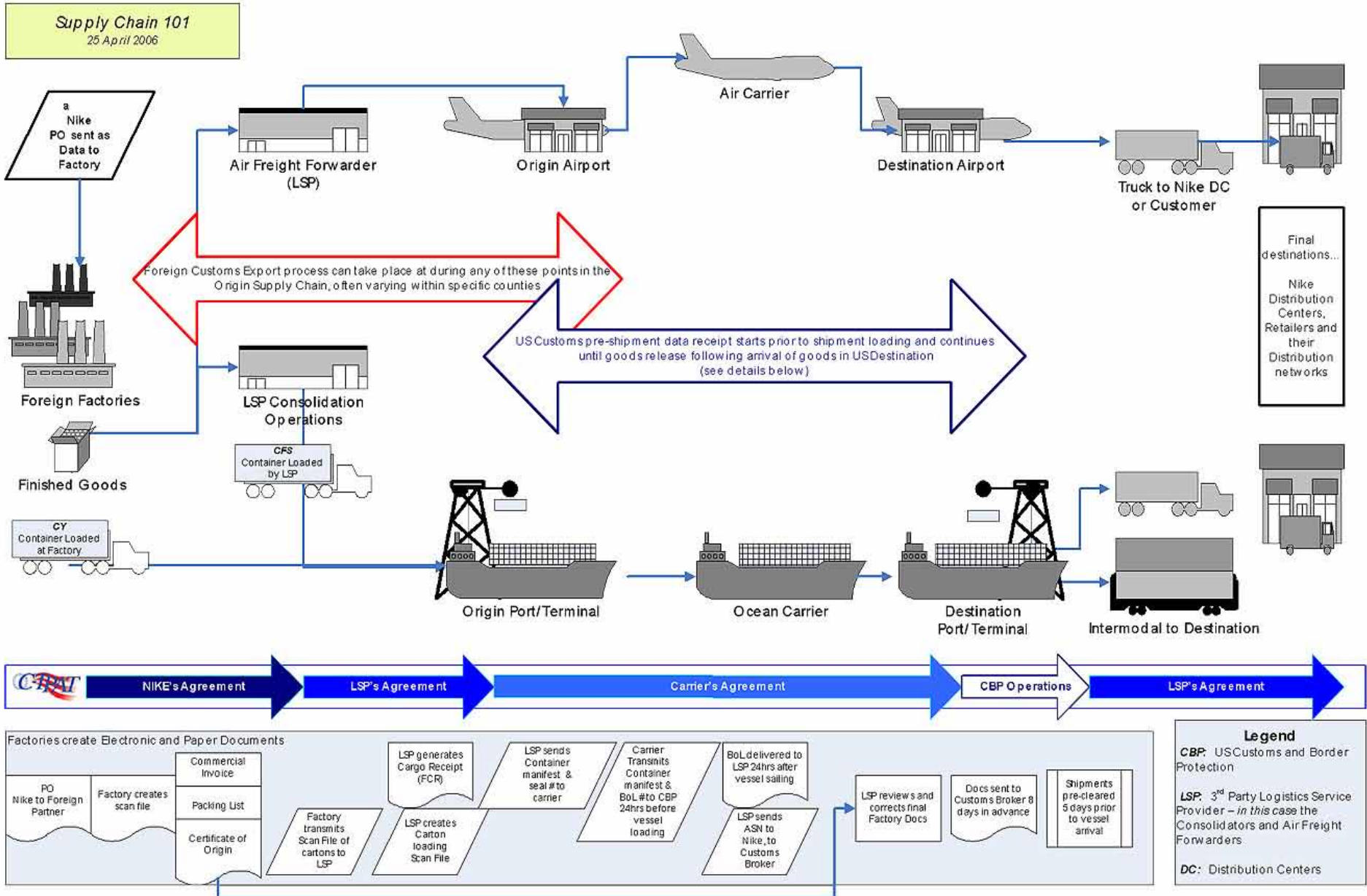
## Concepts

# Supply Chain Management

- Integrating function linking major business functions and processes within and across companies
- Includes all logistics management activities as well as manufacturing operations
- Drives coordination of product design, marketing, sales, finance, and information technology



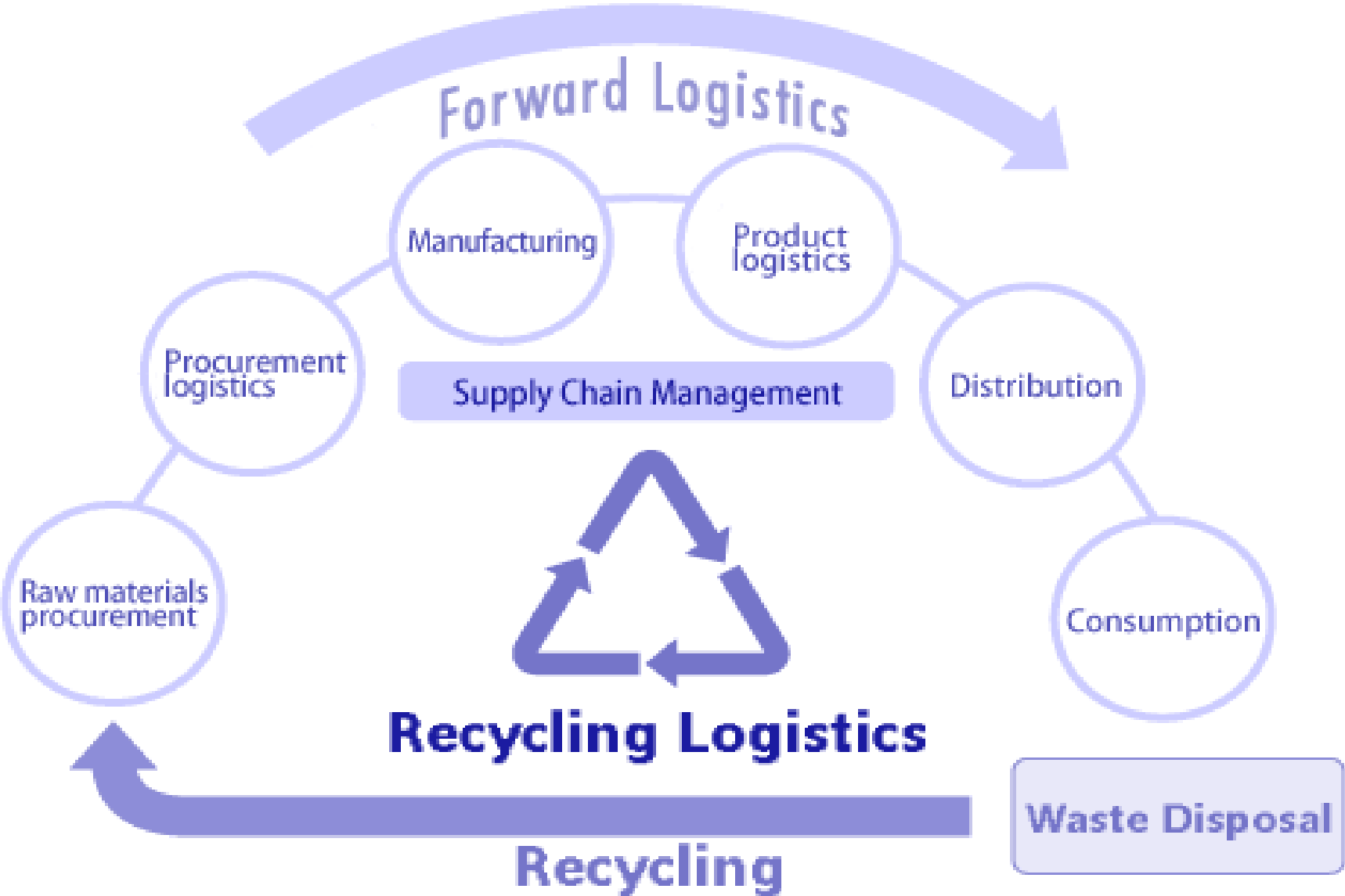
# Nike Supply Chain



# Cross Border Logistics

- Cross border logistics plans, implements & controls the flow & storage of
  - ✓ Goods
  - ✓ Financials
  - ✓ Informationamong participants in the global supply chain
- Special focus on the reduction of physical & non-physical cross border impediments

# Modern Logistics Concept Diagram





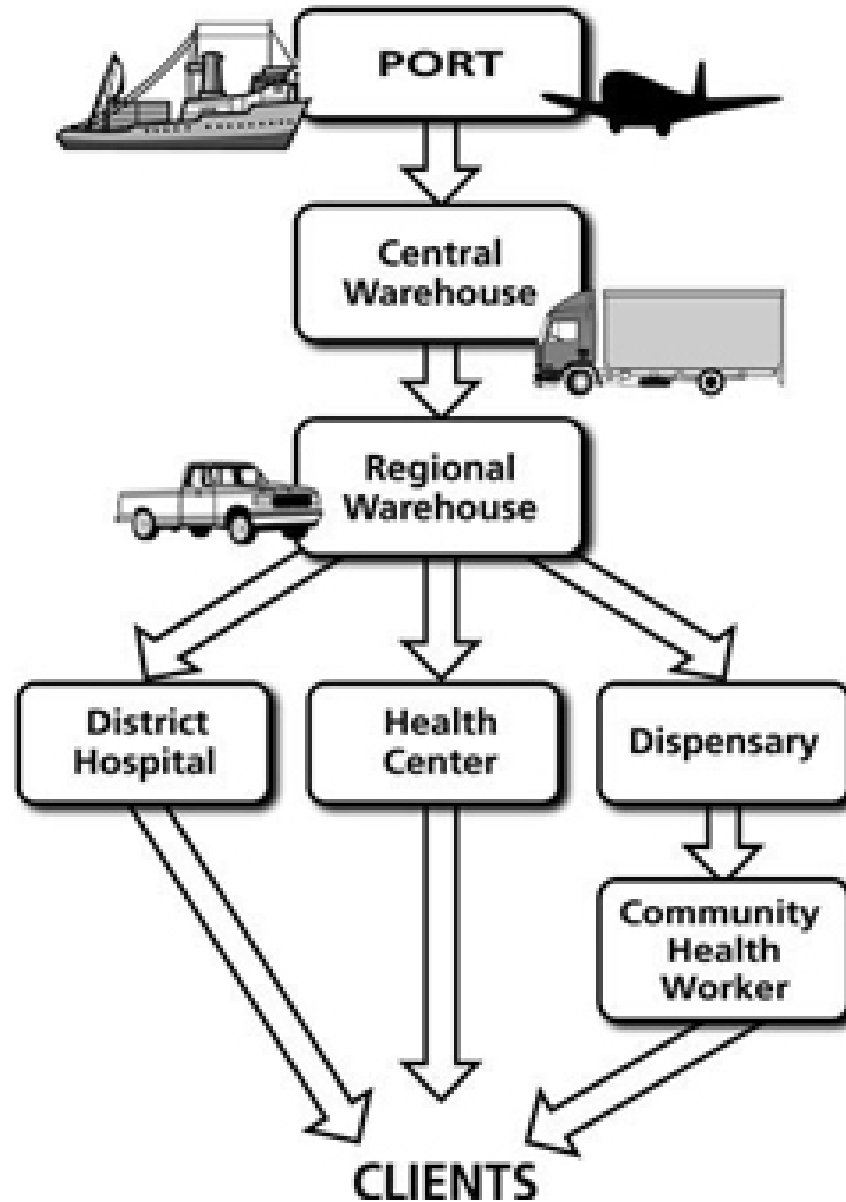
# Cross Border Transport

- Cross border transport is an integral part of cross border logistics.
- Focuses on the efficient, effective, clean and safe movement of goods & people across borders
- Use the optimal transport mode or an optimal combination of transport modes

# Multimodal Transport

- Movement of cargo using more than one mode of transportation
- Continuous, seamless journey, under one contract, using one consignment document and under the care of one responsible party
- Goods travelled across multiple transport modes (motor, rail, water and air) in container without any further handling until destination

# Multimodal Transport Concept Diagram



**CPMM**

**Country Level Analysis**

# Transit Time Analysis

- Select major traffic lanes (e.g. Urumqi-Almaty, Tashkent-Moscow, Tianjin-Zamyn Uud)
- Compute BCP, police/security, GAI/transport checkpoint waiting time, processing time as % of transit time for each lane
- Study the longest and shortest transit time trips
  - ✓ Adopt round trip perspective
  - ✓ Determine root causes for fast and slow transit time
  - ✓ Identify special situations – infrastructure condition, traffic congestion, safety & security problems (e.g. bandits, poor road condition)
- Share results of analysis with ADB

# BCP Analysis

- Waiting time before reaching exit BCP
- Processing time at exit BCP
- Waiting time before entering the next BCP
- Processing time at the next BCP
- Identify and share with ADB root causes for border crossing impediments
  - ✓ Laws and regulations
  - ✓ Standards
  - ✓ BCP procedures, practices, operating days/hours
  - ✓ Infrastructure deficiencies (BCP, access roads, parking, roadside services, logistics facilities)

# Traffic Lane Profitability Analysis

- Conduct analysis on a R/T basis
- Pay attention to seasonal factors
- Calculate R/T revenue
- Determine R/T cost
  - ✓ Include driver and equipment idle time
  - ✓ Include repositioning cost to chase down loads
- Calculate profit/km for R/T, head haul, back haul
  - ✓ Analyze root causes for good profitability and poor profitability
  - ✓ Assess impact of BCP impediments on profitability

**Questions?**

**Comments?**



# Thank you!



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