

Intermodal Africa /

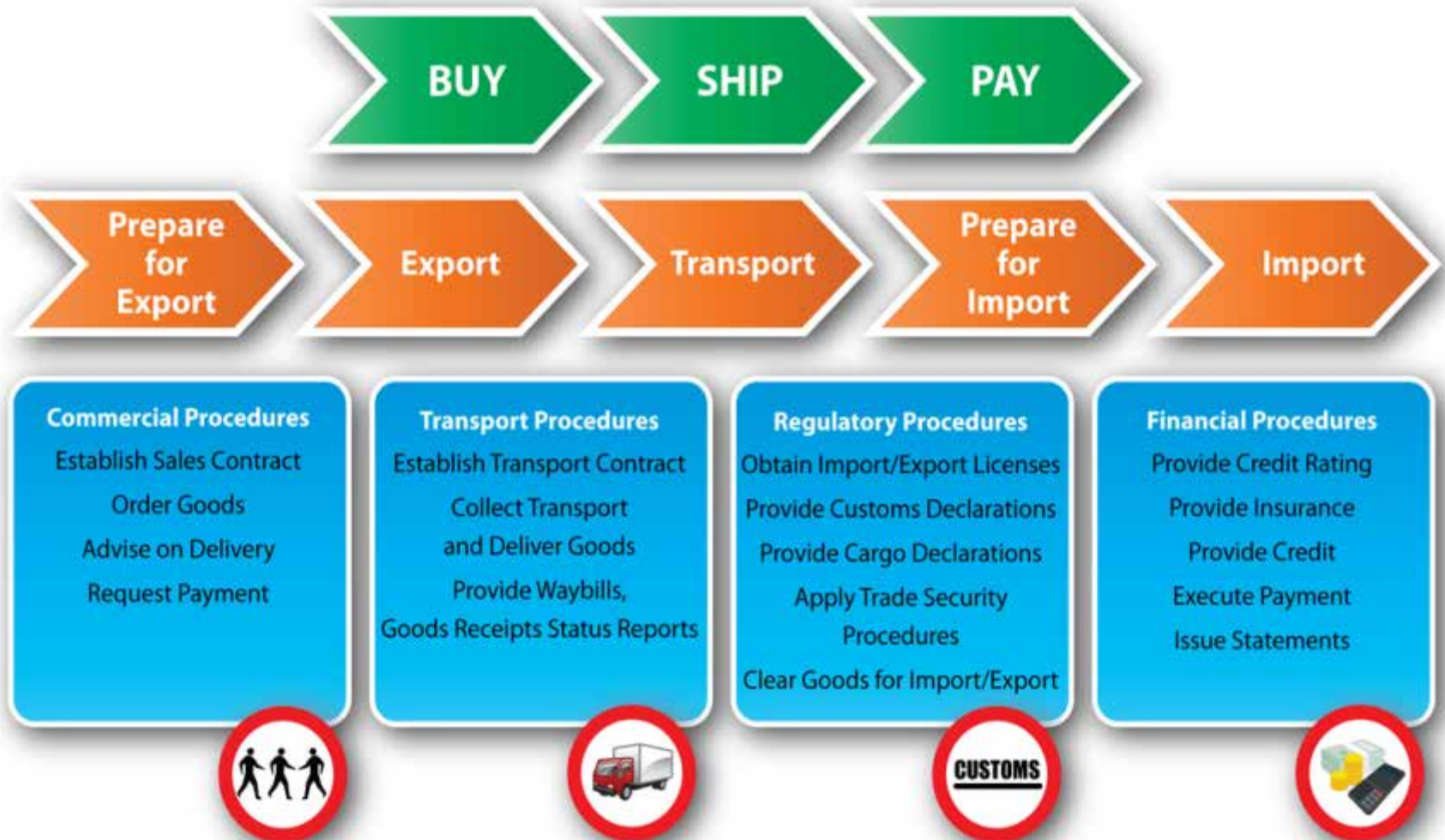
Supply chain security, Cost efficiency, Predictability

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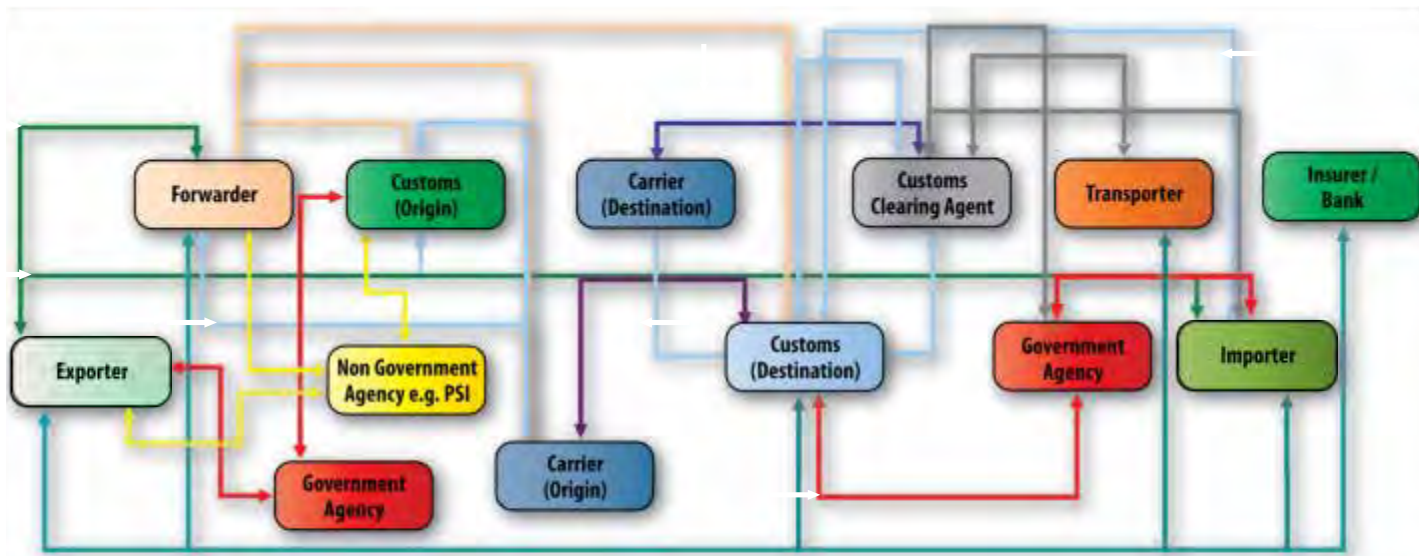
1. Contractual imperatives
2. Supply chain security
3. Cost efficiency
4. Supply chain predictability
5. What does 'Intermodalism' mean for the trader?
6. Recommendations

Facilitation of International Supply Chain (Reference Model)



The current international trade environment involves complex international trade processes with disparate systems

Document Tracking



Cargo Tracking

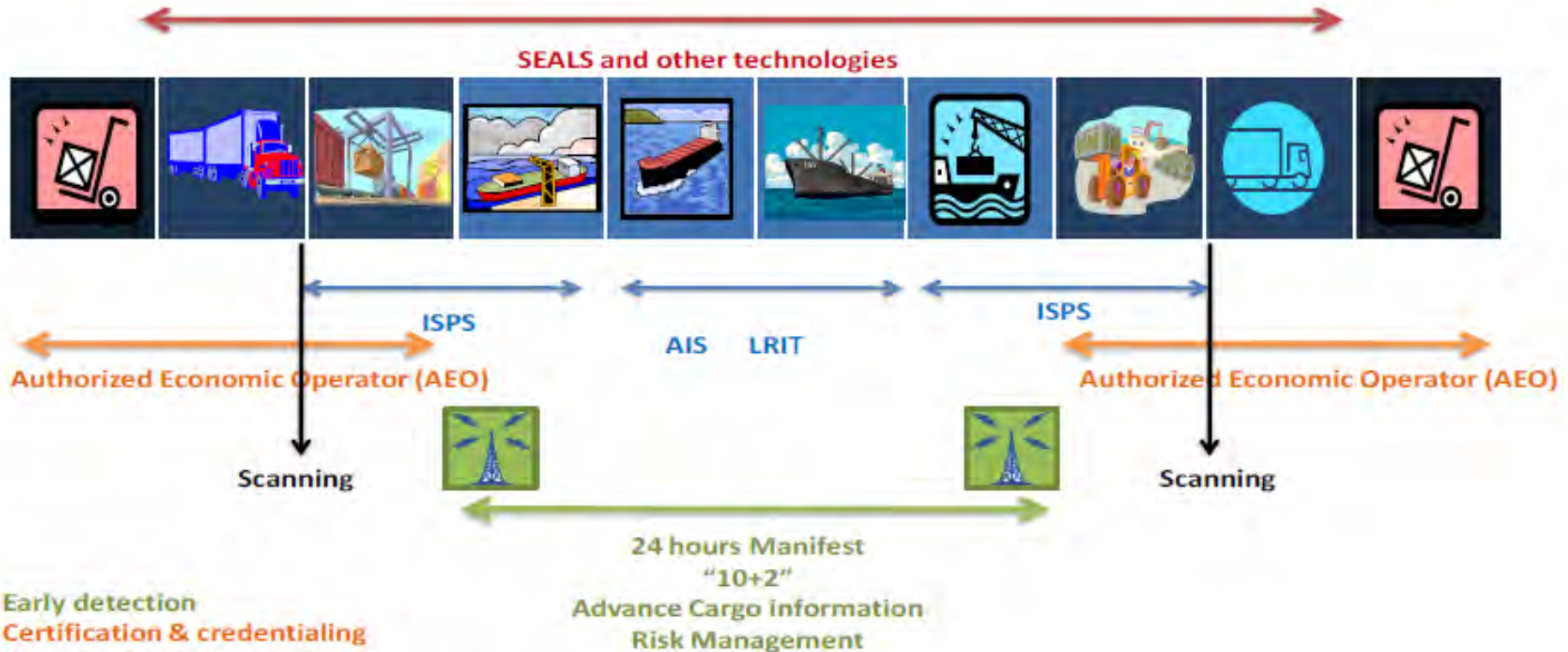


Each international trade transaction requires an average of 40 documents of 200 data elements, with 15% repeated at least 30 times and 60-70% repeated more than once. (UNCTAD)

Contractual imperatives

- Incoterm used will identify cost division between contracting parties
- Incoterm used will identify which party contracts transportation
- Incoterms used will identify point at which transit risk passes from seller to buyer
- Incoterms used will identify the respective responsibilities of the contracting parties
- FOB / FAS / CFR / CIF can never be used for land-locked countries, such as Zambia and Zimbabwe
- Use of CPT / CIP / DAP / DAT / DDP suggest an intent for door to door multi-modal transportation (in containers or break bulk)
- Thus, an implicit requirement for efficient inter-modal solutions.....

Supply Chain Security



- 1) Early detection
- 2) Certification & credentialing
- 3) Scanning technology
- 4) Container integrity
- 5) ISPS International Ship & Port Security Code, vessel tracking at sea AIS/LRIT

Cost efficiency

- Value for money in relation to transport cost
- Intermodal / multimodal operations for both full loads and part loads
- Sealed transport units lead to reduced insurance premiums
- Smart transport planning leads to return loads and reduced cost
- Reduced transit time leads to reduced cost

Supply chain predictability

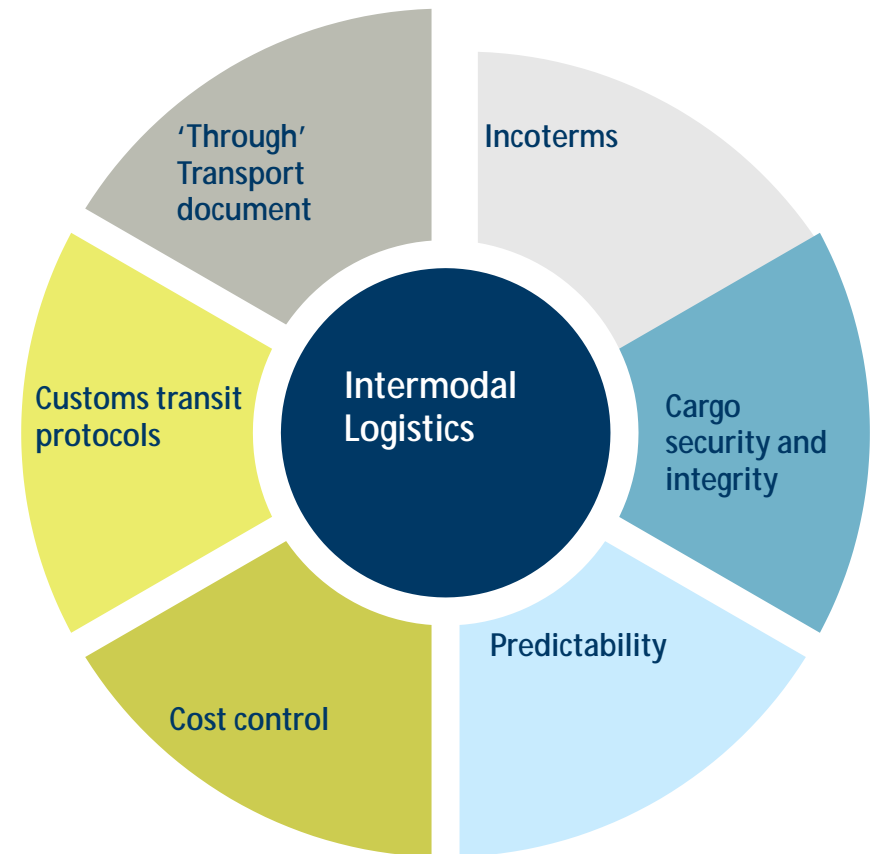
- Predictability (arguably) more crucial than transit time
- Enables strategic planning
- Reduce inventory and migrate to Just In Time logistics models
- Meet customer expectations – repeat orders

Intermodal logistics – what does it mean for the trader?

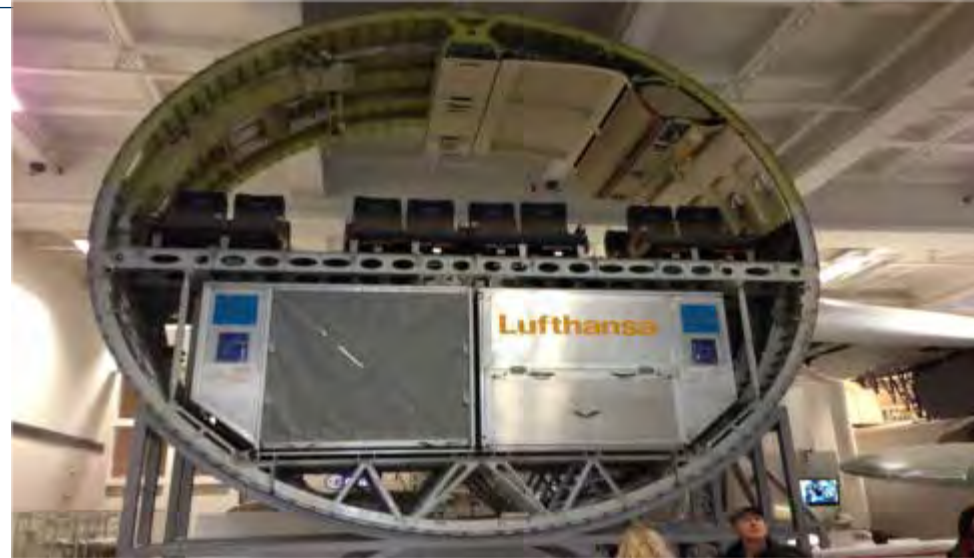
Importers and Exporters Requirements

- Consignments sealed at origin, seals broken at consignee point of delivery
- Insurance premium related to risk
- Transit time control
- Transit time predictability
- Single transport document
- Single Carrier's Conditions of Carriage on door to door basis
- Retain integrity of cargoes
- Minimal documentation
- Minimal intrusive cargo examination
- Accountability of those involved in regulatory control
- Minimise inventory, better utilisation of cash / assets
- 'Smart Contracting'
- Cool / cold / secure chain connectivity

Intermodal Logistics



Trains and boats and planes.....



Road – the core but weakest link?



1. Smart contracting – use the right Incoterm
2. Migration from negotiable Bills of lading to non-negotiable waybills
3. Streamline processes and procedures – particularly transit regimes and protocols
4. Exploit leverage from WTO (Bali) TFA
5. Enhance / improve road transport operations and regulatory controls
6. Ratification of Rotterdam Rules



Thank you /

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