Logistics Digitalization in the Context of COVID-19: Turkish Experience

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Content

- UTIKAD
- The experience of Turkish logistics industry during the pandemic
- Lessons learned
- Improving logistics resilience: UTIKAD’s project
- Possible challenges ahead
UTIKAD

- UTIKAD (Association of International Forwarding and Logistics Service Providers) is founded in 1986.
- Road, Air, Sea, Rail and Combined Transportation
- Logistics Services
- 536 Members
UTIKAD

PRESENCE & ORGANIZATIONS
Public, NGO and International Representation
FIATA, CLECAT, ECOLPAF, Union of Chambers and Commodity Exchanges of Turkey, Foreign Economic Relations Board, Turkey Exporters Assembly, Istanbul Chamber of Commerce International Congress, United Nations Economic Commission for Europe

PROJECTS & COOPERATIONS
Cooperation with Associations & Universities
Cooperation with Insurance Solutions
Sustainable Logistics Certificate

SOCIAL RESPONSIBILITIES
Support for Industrial Activities, Institutions and Education Institutions
Global Compact
Earth Hour
Sustainable Office Management

TRAINING & PUBLICATIONS
FIATA Diploma in Freight Forwarding & Vocational Trainings & Working Groups
Ahmet Kartal Annual Achievement Award
COVID-19 AND TURKISH LOGISTICS INDUSTRY

March 2020 onwards:

- Closed border crossings
- 14-day quarantine for truck drivers
- Re-routing of truck traffic
- Buffer zones for trade
- Cancelled flights
- Blank sailings
- Container frequency increased in ports
- Contactless trade facilitated by freight trains
LESSONS LEARNED

- Logistics industry is as significant as health industry.
  Medical equipment needs to be transported
  Global roll-out of vaccines

- A quick learner: Turkish logistics industry, faced with uncertainty, quickly adjusted itself to a new environment and proved to be successful

- Need for alternatives of providers and markets

- Digitalization of operations: UTIKAD’s recommendation on digitalization of D/O processes


- State-led digitalization?
  Acceptance of digital certificate of origin

  Future became today when faced with necessity
IMPROVING RESILIENCE IN LOGISTICS

- UTIKAD’s Project: Turkish Digital Logistics Platform
- A work-in-progress by UTIKAD’s Innovation Focus Group
- For all the shareholders in logistics industry
- All modes of transportation: Air, Ocean, Road, Intermodal
- A unifying platform for all digital platforms in logistics industry
- From as-is to to-be
- A concept report is completed.
- Workshops for receiving feedback from future users
- Proof of Concept
TURKISH DIGITAL LOGISTICS PLATFORM

- Bringing together public and private sectors: carrier, exporter, importer, freight forwarder, customs authority and other regulatory bodies, port management, financial institutions.
- Many shareholders have their own digital systems which are in isolation from each other. Customs Authority: a data silo.
- Many paper-based processes can be digitalized.
- Expected outcomes:
  - Increased productivity
  - Increased visibility
  - Capacity optimization
  - Data analysis
  - Time saving
  - Reduced transaction costs
  - Quick interaction among parties
CHALLENGES AHEAD?

- Resistance from users: the industry is largely composed of SMEs.
- A fragmented structure of many parties: from airlines to f/f, from banks to customs authority
- State and digitalization: replacing the paper with digital
Association of International Forwarding
and Logistics Service Providers