



# LOGISTICIANS

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What trends do maritime industry experts predict for 2023?

Collaboration and optimism are expected to set the tone for the shipping industry in 2023.

Jasleen Mann January 16, 2023

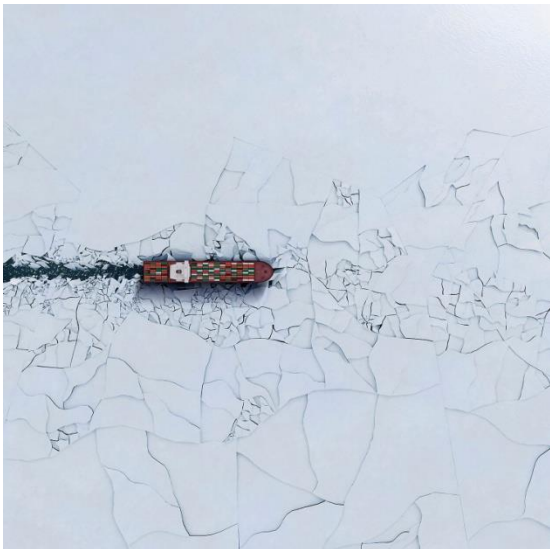
The shipping industry dealt with the fallout of the Covid-19 pandemic in 2022 and is now set to focus on the challenges posed by the green transition. Shipowners and ship operators are becoming increasingly well equipped to ensure their fleets are environmentally friendly.

The industry has demonstrated the importance of collaboration given the geopolitical circumstances in 2022 and pandemic-related restrictions. An increase in collaboration is expected to be seen in various aspects of the industry including the green transition.

Industry experts share their expectations for collaboration, green transition, security, and energy cost trends in 2023.

Source <https://www.ship-technology.com/features/2023-predictions-shipping-trends/?cf-view>

January 16, 2023



## The Central Challenges For Logistics In 2023 - And How To Solve Them With The Right Tools



Source <https://www.hcltech.com/blogs/central-challenges-logistics-2023-and-how-solve-them-right-tools> January 19, 2023

KaylaMatthews

## Trendschanginglogisticsin2023

### Newemissionsstandardsformaritimeshipping

According to a recent report from Fortune Magazine, nearly 94% of Fortune 1000 companies grappled with disruptions in their supply chains brought about by the pandemic. Logistics leaders found themselves directly impacted as COVID-19 laid bare the vulnerabilities of traditional workflows within the existing supply chain logistics. Issues such as a lack of visibility both upstream and downstream, outdated demand management processes, vulnerability to demand fluctuations, and unexpected outages resulting from manual efforts across logistics operations significantly disrupted supply chains during the initial wave of lockdowns.

Recognizing the urgent need for improvement, companies began seeking ways to optimize their supply chain management and logistics (SCML).

A solution emerged for many in the form of a new generation of tools, including SAP for logistics and non-SAP options.

These tools were designed to address challenges like inconsistent tracking and escalating transportation costs. By leveraging these tools, businesses were able to construct resilient and agile supply chains capable of withstanding unforeseen disruptions.

While these tools offer flexibility and adaptability to an enterprise's changing requirements, it's crucial for businesses to grasp the nuances of extensively customizing software capabilities to align with their specific needs. Despite solution providers like SAP offering industry-specific best practices content to facilitate the advantages of standardization, and customization to effectively compete in today's dynamic business environment. Continuedonpage2....

**“The line between disorder and order lies in logistics..”**

**- Sun Tuz**

**“I don't really know the logistics of a Soundcloud rapper”**

**- Lil Baby**

**“People don't understand the logistics of advertising “**

**- Susan Wojcicki**

### Understanding the logistics industry's central challenges

The logistics sector experienced profound impacts from the pandemic, although many of the challenges it faced were pre-existing. These persistent issues encompass various aspects:

#### Rising Transportation Costs:

Transportation costs have surged in recent years, with the Russia-Ukraine conflict contributing to fuel price volatility. Predictions from trucking businesses indicate a double-digit increase in annual contract rates this year due to strained capacity. Europe faces a shortage of approximately 400,000 heavy goods vehicle drivers, leading to a 23% increase in road transportation rates in the US. Globally, transportation costs are on the rise.

**Inconsistent Tracking:** Despite the advantages of IoT, numerous brands still rely on manual tracking processes, utilizing spreadsheets and multiple software platforms for the same activity. This practice not only hampers workforce productivity but also diminishes efficiency.

**Limited Visibility of Shipments:** While modern consumers demand visibility into their orders, a lack of transparency throughout the supply chain can cause significant issues, leading to unnecessary delays and operational inefficiencies in warehouses.

**Fragmented Communication:** The logistics supply chain, starting from manufacturing to final product delivery, often suffers from a lack of integrated communication channels. This fragmentation adversely affects delivery times and overall efficiency for Original Equipment Manufacturers (OEMs).

**Empty Miles:** The longstanding issue of empty miles, or non-revenue miles, continues to plague the logistics industry, resulting in increased costs, environmental impacts, and reduced efficiency for both carriers and shippers.

**Delivery Delays:** The pandemic's cascading effects, including factory closures and labor shortages, have disrupted delivery times. Legacy processes, often siloed and fragmented, exacerbate delays. Examples include extended waiting times for Tesla Model X and Model Y, and delays in smartphone shipments due to chip shortages, leading to increased waiting times for pre-ordered products.



### The following tools are part of the SAP Digital SCM landscape:



#### Extended Warehouse Management (EWM)

SAP EWM is an integrated and highly flexible warehouse management solution that provides complete visibility and control over the inventory. It

is a comprehensive on-premise and cloud warehouse solution that offers real-time control of distribution operations and multichannel fulfillment. In addition, it excels at managing warehouses and material flows and offers deep analytics and billing features for warehousing needs.

#### Transportation Management (TM)

SAP TM is a complete solution built to easily manage single-stage and multistage transport networks. It is an on-premise and cloud-based product that includes interactive freight tendering, transportation demand planning, and more to generate real-time KPIs for business operations. In addition, it supports both shippers and logistics service providers across different transportation modes, such as road, ocean, air, and train. It offers an array of functions, such as state-of-the-art transportation planning, charge calculation, and the carrier invoice settlement process.

#### Yard Logistics (YL)

SAP YL prepares logistics for the future. With its help, logistics brands and others involved in yard management can maximize their visibility into their yard processes while previewing planned workloads in real-time. It is a 360-degree tool that aids in optimizing yard processes by making them more efficient and transparent for easier management.

### 2023 Union Budget: Logistics sector looks at closing the digital gap that persists in the industry

Updated: January 26, 2023



As the eagerly awaited 2023 Union Budget announcement approaches, the Logistics industry anticipates a potential further boost, building on its post-pandemic resurgence. Given the pivotal role the logistics sector plays in the country's development, the industry is particularly keen on the forthcoming announcement, especially in light of the Gati Shakti plans. The sector looks forward to the positive impact that the budgetary measures may bring.

### Here are what experts in the logistics segment have to say ahead of the upcoming 2023 Union Budget announcement:

With the 2023 Union Budget announcement around the corner, the Logistics industry is expecting a further boost, as it flourished post-pandemic. The logistics industry plays a crucial role in the country's development, and with the announcement of the Gati Shakti plans, the industry is looking forward to the announcement.

The recent enactment of the New Labour Code has a direct impact on the blue-collar workers, who form the backbone of the logistics and supply chain industry. Simplifying the enforcement mechanisms while ensuring social security and economic benefits for these workers is crucial for achieving enduring results. Eliminating ambiguity and adopting more straightforward implementation methods will be beneficial for industrial workers.



In conjunction with the supportive policies under Digital India, the government has an opportunity to address the existing digital gap in the industry. By offering attractive incentives to entities that bridge this gap through skill training for their workforce, the government can encourage industry leaders to spearhead the digital transformation of the sector.

Concurrently, there is an expectation that the government will fortify the foundation of the National Logistics Policy (NLP) and actively implement it to alleviate bottlenecks and reduce costs. An enhanced road network will play a pivotal role in decongesting roads, facilitating the seamless transportation of goods, and increasing the land value for warehousing hubs.

Recognizing the industry's commitment to sustainability, the sector is eager to embrace greener practices. Offering tax benefits and incentives to the warehousing industry for adopting solar-enabled solutions and other environmentally friendly practices will significantly contribute to reducing the overall carbon footprint of the sector.

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## Trendschanginglogisticsin2023

Emergingtechnologiesshapingthefutureoflogistics

Suresh Kumar R, Chief Executive Officer of Allcargo Logistics, emphasizes the significance of impactful programs such as the National Logistics Policy, Open Network Digital Commerce, and PM Gati Shakti. These initiatives acknowledge the pivotal role of the logistics sector in advancing India's growth objectives and global aspirations.

In light of the disruptions caused by the COVID-19 pandemic and an increased awareness of the necessity for manufacturing alternatives, India finds itself presented with a substantial opportunity. The budget holds the potential to leverage this opportunity by establishing a clear objective of reducing logistical costs and creating an environment conducive for India to assume a more prominent role across diverse sectors. This, in turn, provides an occasion to energize, endorse, and incentivize effective execution.

Source\;-

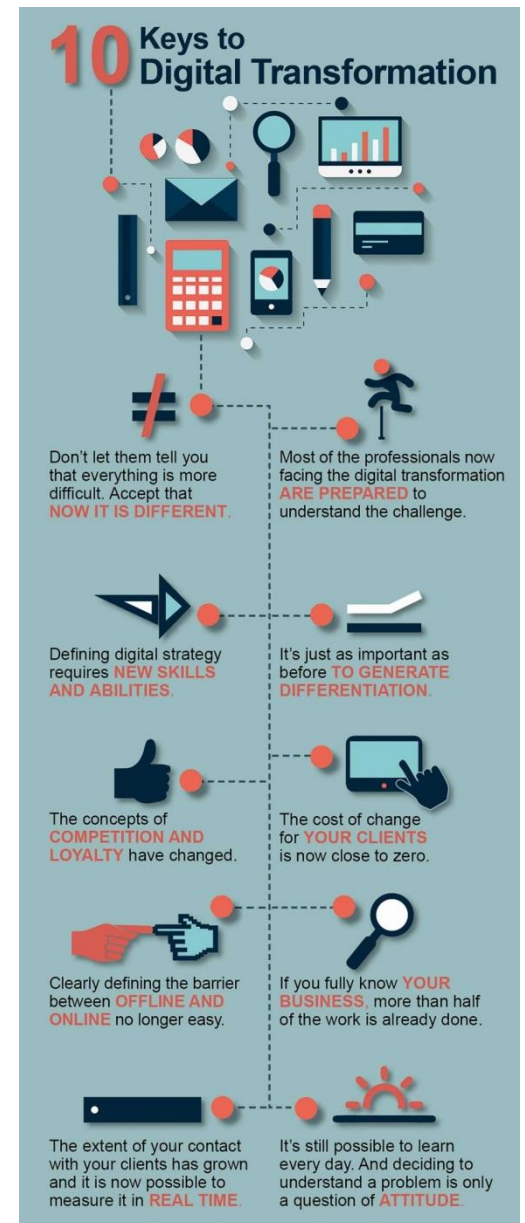
<https://www.tawi.com/insights/logistics-trends-for-2023-the-top-5-trends-in-logistics/>

### Supply Chain Digital Transformation: Why It Should Matter to Your Organisation :

The impact of COVID-19 on businesses has been profound, especially on supply chains. The global lockdown resulted in a substantial disruption to the supply chain sector, compelling industry leaders to reevaluate their operational strategies. In the post-COVID-19 era, businesses are urged to undergo a supply chain digital transformation to mitigate future disruptions.

To fortify their resilience, businesses worldwide are integrating advanced technologies such as blockchain, intelligent automation, artificial intelligence, and machine learning. Technologies like embedded sensors, GPS, and RFID play a pivotal role in reshaping traditional supply chain structures into more agile, flexible, and collaborative digital models.

Source\ <https://appinventiv.com/blog/digital-transformation-in-supply-chain-management/>



# LOGISTICS & SUPPLY CHAIN MANAGEMENT TRENDS IN 2023



Source <https://www.tawi.com/insights/logistics-trends-for-2023-the-top-5-trends-in-logistics/> February 20, 2023

## Logistics Trends for 2023: The top 5 trends in logistics

Written by Matilda Odell February 20, 2023 **Logistics News**

The logistics industry, driven by the rapid evolution of technology and a growing environmental consciousness, is in a constant state of flux. To remain competitive and stay ahead in today's dynamic market, businesses must exhibit flexibility by embracing the latest technological advancements, new processes, and strategies. The expansion and growth of logistics technology are expected to enhance the agility and reliability of the logistics industry. Here are key trends anticipated in 2023 that will shape the industry's future.

Supply Chain Agility is poised to be a focal point in logistics trends for 2023, as businesses strive to meet the escalating demand for products and services. Agility enables swift responses to supply and demand fluctuations, reducing costs and enhancing efficiency, a critical aspect of competitiveness in the ever-changing market. Achieving supply chain agility requires the ability to adapt quickly to changes in customer needs, global trends, and new technologies.

Organizations with excellent supply

chain agility can adjust their offerings promptly, respond to unforeseen disruptions, manage stocks effectively, minimize costs, and increase profits. Strategies for achieving supply chain agility involve flexibility, collaboration, proactive risk management, and investments in new technologies and innovations

Automation, a long-standing trend in logistics, continues to evolve and will be a significant focus in 2023. With technological advancements and the growth of e-commerce, the industry is transforming to offer better services while cutting costs. Automation eliminates manual processes, streamlining operations and improving accuracy. Semi-automated processes for lifting are gaining traction, reducing the risk of injuries and providing real-time visibility and tracking. While automation offers significant benefits, companies must carefully consider their investment and weigh the advantages of semi-automated solutions to overcome manual material handling challenges..

Green logistics, promoting environmental sustainability alongside operational efficiency, is an emerging business idea. The goals of green logistics include reducing pollution, conserving resources, and implementing waste management policies. To align with the latest logistics trends, businesses should embrace green logistics to minimize their environmental footprint. Key elements of green logistics include transportation route optimization, the use of electric and alternative fuel vehicles, and environmentally friendly storage and handling operations

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Education and engagement of stakeholders are crucial in making sustainability a fundamental aspect of corporate culture, ensuring a comprehensive understanding and acceptance of green logistics practices throughout the supply chain.

### Supply chain visibility

Visibility of the supply chain is the capacity of businesses to trace the movement of their goods from suppliers to customers from start to end. This is crucial for companies to keep track of the performance of their suppliers, guarantee



the quality of their goods, and streamline operations

Companies can fully understand the whereabouts of their products and materials thanks to supply chain visibility, which also empowers them to decide how to optimize their supply chain procedures. Visibility into the supply chain has many advantages, including a lower chance of product recalls, lower production costs, and higher customer satisfaction. For instance, businesses can find areas where they can streamline operations, cut expenses, and boost their bottom line by tracking the movements of their items. This is realized by identifying leakages in the supply chain, working on them to reduce waste and inefficiencies, and optimizing the flow of products and materials.

Real-time supply chain visibility will also enable businesses to reduce their costs by better identifying and utilizing the most efficient routes. Additionally, businesses will be able to use this information to better manage their inventory and ensure that their stock is at the right level at the right time. By having an accurate and up-to-date view of the supply chain, businesses will be able to make informed decisions and better anticipate customer demand.

In the years to come, supply chain visibility will become an essential part of logistics.

Businesses that are able to leverage this data to improve their operations and better meet customer demands will be well-positioned to succeed in an increasingly competitive market.

As the logistics industry continues to grow, a looming challenge is the shortage of labour resources. With the increasing demand for delivery and shipping services, the demand for labour is becoming unsustainable. The world is facing a growing shortage of essential resources such as skilled labour, equipment, and technology, making it difficult for logistics companies to keep up with the demand. This shortage has significantly affected the supply chain, causing delays, increased costs, and low efficiency. The logistics industry's main challenge today is the shortage of skilled labour. There have been an increased number of logistic sectors through e-commerce, pushing high the demand for logistics workers. Still, the supply of qualified workers has mostly remained the same. The logistics workers' job market has become very competitive with the increased shortage, leading to higher salaries and benefits packages. As a result, many organizations face the challenge of finding and retaining skilled workers due to high cost to keep employees.



Source: <https://cointelegraph.com/news/amazon-patented-a-blockchain-system-for-supply-chain-tracking>, MAY30,2020

## Apex court orders the demolition of Oil storage tank outside Chennai port:

Wednesday February 2023

The Supreme Court has upheld a National Green Tribunal (NGT) judgment ordering the demolition of an oil storage tank in north Chennai that was part of the Adani Group's joint venture with Chennai-based KTV Group, in a setback to the Ahmedabad-based company.

Disposing of an appeal against the NGT order, a three-judge Bench of Justices KM Joseph, BV Nagaratna and JB Paradiwala, also upheld the authorities' judgment imposing a fine of Rs 25 lakh on the joint venture. The apex court, however, provided two reliefs to the Adani Company. One was the venture got six months time to demolish the storage tank that was constructed in Tondiarpet on Ennore Expressway.

The NGT had previously mandated the demolition of the storage tank, citing its location outside the Chennai port. The tank was intended for storing imported edible oil, with the joint venture having approval to transmit the oil through an underground pipeline from the port to the storage facility. This approval was granted by the Chennai Fishing Harbor Management Committee, the Chennai Port Trust, and the District Coastal Zonal Management Authority, with the National Highways Authority permitting the laying of the pipeline across the Ennore Expressway. The tribunal contended that, according to CRZ I regulations, the storage facility was not within the Chennai port. The company argued that under CRZ II, storage of edible oil is allowed "in" the port area, even if it is outside the port. However, the Supreme Court bench rejected this argument, reiterating that the terms 'within' and 'in' cannot encompass areas outside the port.



## Sanjam Sahi Gupta of Sitara Shipping named Top 100

Friday, February 24, 2023

Director, Sitara Shipping Founder, Marine SheEO Top 100 Women in Shipping by All About Shipping UK, Executive Board member.



All About Shipping UK in their annual list of top 100 women in shipping, was pleased to announce that 100 women out of 1,350 from almost all sectors of the entire Shipping spectrum, On number 43 is India’s Sanjam Sahi Gupta , Director of Sitara Shipping Ltd. She is also the founder of Maritime SheEO and an advocate for diversity.

The media house further stated that "Despite the despicable situation we continue to live in as we are in a double recession, despite another anus horribilis given the hidden Coronavirus anathema and its despicable mutations - valiant and admirable women were once again out there performing service to humankind and ... outperforming. A real challenge once again for those working mostly from home tackling business, simultaneously caring and looking after children – some very young – and supporting others in their families whether from on board or ashore... Once again we very much believe that we can improve a lot of things in possibly the most demanding industry of all, that of Shipping, by pulling together and making diversity a MUST ."

## 114 Port projects costing Rs One Lakh crores under implementation in Maharashtra

MUMBAI Sagar Sandesh News BUREAU

Maharashtra is implementing 114 Port projects costing nearly Rs One Lakh crores under the Sagar Mala program of the central government. Union Ports Minister Sonowal said in the

State of Manarashtra , there are 114 projects worth Rs. 99,210 Crore under Sagarmala Program.

Out of the total 114 projects being implemented in the state of Maharashtra, 43 projects worth Rs. 2121 Crore are partially funded by the Union Ports Ministry.

He said out of 43 projects, 37 projects worth Rs 1,388 Crore, 9 projects worth Rs 279 Crore have been completed, 17 projects worth Rs 666 Crore are under implementation and 11 projects worth Rs 443 Crore are under development stage Mr. Sarbananda.



Mr Sonowal said Maritime infrastructure plays a vital role in the nation’s economy. Aligning with the Maritime India Vision 2030, Sagarmala project of MoPSW is aimed at providing better facilities to the people in the coastal region. He said its initiatives will further boost infrastructure and drive investments to improve regional connectivity to aid trade.

Sagarmala initiative has successfully enabled the Indian ports to handle large volumes by making them more efficient and reducing the turnaround time of containers. He said numerous projects have been undertaken across various categories such as port modernization, rail, road, cruise tourism, RORO, ROPAX, fisheries, coastal infrastructure and skill development.



To celebrate the Maritime activities of the coastal states of the country, 'Coastal States Pavilion' have been proposed to be developed in the National Maritime Heritage Complex in Gujarat.

The Ports Ministry is providing big push to Ro-Ro and Passenger transportation through waterways as it is environment friendly solution to mobility and resulting in significant savings of cost and time. ROPAX facilities are being developed by State or Central authorities and vessel deployment and services are carried out majorly by private players, he added.

## ST Engineering buys a Singapore shipyard

New Delhi Sagar Sandesh News Service

ST Engineering's marine business has acquired the site and assets of the Keppel O&M shipyard at 55 Gul Road, Singapore, for its commercial ship repair business. The assets acquired include three floating docks, existing buildings, workshops, and machinery.

The company says that the asset purchase obviates the need to build a greenfield shipyard, which would require much higher construction and material costs as well as lead time

The approximately 141,000 square meter Gul yard, with a gross built up floor area of 74,593 square meters, has a remaining lease until August 2030 which can be extended by another 20 years. ST Engineering has another shipyard at Benoi which is mainly for shipbuilding

The group says its ship repair business in Singapore has performed well and has been profitable over the years and continues to grow. To maintain its competitiveness in the ship repair segment, the Gul yard will be progressively upgraded to be a smart shipyard, adopting end-to-end digitalization that will power the ship repair cycle and processes. The new Gul yard will also be used to support the group's other marine segments, such as module fabrication and offshore renewable projects.

"Taking over this brownfield site versus constructing a replacement greenfield site is an effective way to minimize capex. More importantly, building on the existing infrastructure and facility enables us to start operating immediately and effectively with minimal disruption to our operations," said Sing Chan, president, marine, at ST Engineering.



With the lease on its Tuas Shipyard (above) expiring in 2024, ST Engineering has acquired Keppel's Gul Road shipyard

## Blue economy to play a vital role in the country's economy in future

The blue economy occupies a vital position in India's economic growth and it could well be the next multiplier of GDP and well-being, provided sustainability and socioeconomic welfare are kept at the centre stage, said Controller and Auditor General G C Murmu.

India has a 7,517 km long coastline that is home to nine coastal states and 1,382 islands. The coastal economy sustains over 4 million fishermen and other coastal communities.



There are nearly 199 ports, including 12 major ports that handle approximately 1,400 million tons of cargo each year, Comptroller & Auditor General of India (CAG) said at a seminar on the challenges and opportunities in the Blue Economy.

Moreover, he said, India's Exclusive Economic Zone of over 2 million square kilometers has a bounty of living and non-living resources with significant recoverable resources such as crude oil and natural gas. With these vast maritime interests, the blue economy

Highlighting the importance of blue economy, Mr Murmu said that the blue economy economic system promotes the sustainable use of marine and freshwater resources while conserving their environments. It encompasses policies and operational dimensions aimed at producing food and energy, supporting livelihoods, and driving economic advancement and welfare, he said.

and welfare, he said. He emphasized that the Blue Economy while being intrinsically linked to the Sustainable Development Goal (SDG) 14 - which focuses on conserving and using oceans, seas, and marine resources for sustainable development -- shall also be viewed from a holistic perspective of SDG 13 - Climate Action; SDG 6 - Clean Water; SDG 7- Clean and Renewable Energy.

While there were audit criteria and framework for auditing sub-sectors, such as, marine fisheries, coastal eco-system, aquaculture, coastal and marine tourism, bio-technology from marine resources and extraction of sea-bed mineral resources, he said, integrating them into a single auditing framework would be key to all Supreme Audit Institutions (SAIs), including the SAI20 Engagement group.

SAIs could strive to scale up their efforts, develop study papers on the condition of the Blue Economy and make recommendations on how the governments could direct their efforts and policies for sustainable development of the Blue Economy of their nations.



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