

Logistics challenges for international trade

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A career in logistics is exciting, stretching, rewarding, often unpredictable, great fun and immensely satisfying but that will come as no surprise to those of you who are involved in it. It really shouldn't come as a surprise to any one really when you consider the issues that logisticians have to face on a daily basis.

Whether we are talking about the movement of ourselves as commuters, or the movement of products, goods and material locally, nationally or internationally, using any combination of transport modes, road, rail, water or air it is the role of logisticians to deliver.

Change is a constant in all of our lives and nowhere is this more true than in the world of logistics. The impacts of globalization require constant adjustment to the way in which we do business and always with an eye to the next change that is certain to come along. The fuel of the future is just one of the many issues that logisticians have to contend with and putting this alongside the environmental pressures that face us all poses significant challenges in securing the supply of goods and services around the world. It is for example only a few short years ago that many people, governments included, considered bio fuels to be a solution to the problems of diminishing supplies of fossil fuels on our planet. The implications that this thinking has had on de forestation and world food prices now points us in a different direction as we have additional problems to solve.

Climate change issues will rightly dominate our thinking for the foreseeable future and this in turn will test the long term wisdom of the headlong rush of western economies to offshore manufacturing to lower cost countries in the east. This

massive shift of activity has necessitated the increase in shipping capacity and investment in an infrastructure to handle containerized finished goods on an unprecedented scale as they arrive into western ports from the manufacturing centres in eastern Europe and Asia.

The carbon price of this transfer is now influencing decision making and as the cost of transport is only likely to go in one direction as oil heads north of \$120 a barrel strategic reviews on the implications for manufacturing closer to markets seem inevitable. This will of course demand considerable input from logisticians as we continue to deliver the goods today whilst predicting and planning strategic and infrastructure changes for the future that will secure the needs of business and consumers.

The financial cost of delivering goods across the world has always been a fundamental element of trading and logisticians are learning very quickly that environmental costs have increasing significance in decision making.

It should be clear that the planning, organisation and operation of the supply chain by logisticians is key to the efficiency and effectiveness of every business particularly those operating in an unpredictable and changing environment. It should also be clear that we need to attract the best people to our profession if we are to adapt and to prosper in our rapidly changing world.

The skills required to ensure effective supply chain operation in our rapidly changing world can be gained through education and training but we must be prepared to invest in our people. International logistics and transport is growing in complexity and requires a diverse range of skills and talent if it is to continue to keep pace with the changing demands of customers and consumers.

All of us in the logistics world continue to relish the challenge.