

Transport and Logistics Systems Magazine

INTERMODAL

Road • Rail • Sea • Air • Storage • Infrastructure • Supply Chain

2024 • Issue 38

THE NEW CORRIDORS OF GLOBAL TRADE

UND Report Shows a
Change in Export Transports

Double Digit Growth in Air Cargo

November 20-22, 2024

Yenikapı Avrasya Show and Art Center - Istanbul, Turkey

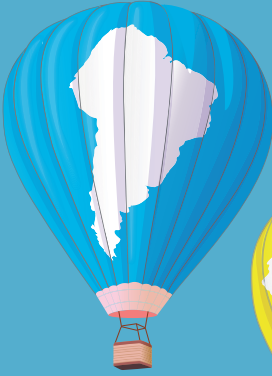
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LOGISTICS BASES A NEW COMPETITIVE AGE IN TURKISH EXPORT

► Considering the 2024 investment plan, it is undoubtedly a good development that the highest share is given to the communication and transportation sector on a sectoral basis. According to the 2024 Investment Program, the transportation and communications sector investments received the highest share of the appropriation within the scope of the program, with 31.7 percent. Although railway investments constitute a significant share in the total investment budget, these investments will go towards issues related to passenger transportation and high-speed train investments rather than freight transportation. Perhaps the long-awaited issue among the recent decisions was the public authority's decision to establish new logistics bases in various regions of the world within the scope of new investments. This decision is a pleasing development for both the logistics and export sectors.

Proximity to the markets in export is as important as price and quality in terms of competitiveness. Undoubtedly, the first condition of proximity to the markets is directly related to the supply chain. While shortening the time for product delivery is important for creating competitive prices, it also paves the way for sales and marketing processes to be carried out effectively. Logistics companies in Turkey are accelerating warehouse investments, especially in transportation to the east and west. This advantage is important from the exporter's point of view. Undoubtedly, there is a table in favor of the exporting organizations and logistics companies in Turkey during delivery times in nearby markets. Markets especially from the east, compared to the exports from the Chinese market to Europe, Turkey has a significant chance to become a logistics base in terms of proximity to the market. Undoubtedly, the USA is a very big export market for almost every sector. However, the disadvantage of distance makes it difficult for exporting organizations to enter the US market and to compete. Logistics investments at certain points in the United States will be one of the steps that will increase the competitive chances of sectors in Turkey.

Recently, due to cyclical problems experienced on logistics routes, especially on the Red Sea, and global political crises, each country has started to diversify its supply chains and pay more attention to the geographical proximity factor in order for foreign trade to run smoothly. It is seen as a strategic step in terms of timing for Turkey to put logistics base and warehouse investments on the agenda both in the public sector and within the scope of logistics and exporting organizations.

The establishment of logistics bases abroad by the public will be a development that provides competitive advantage to exporting companies in Turkey. A total of 6 logistics bases, 4 of which are planned to be established in Europe and 2 in the USA. Thanks to this logistics network, Turkish products and countries and companies that want to use these distribution networks will be able to use all of the warehousing and transportation services, including customs clearance, as well as distribution, value-added logistics services and supply chain management services from a single point. Thanks to these bases, exporters will save on additional logistics costs and expenses such as commission fees. Companies that want to increase their export targets will be able to penetrate international supply and distribution chains faster and at competitive prices, and infrastructure opportunities will be established to stabilize Turkey's export performance in important markets.

It is known that the necessary feasibility studies have been carried out for the establishment of distribution networks in Central Asia and Africa after the centers to be established in Europe and the USA. Thus, Turkish products and logistics companies will be able to easily access and export to every point of the world. In addition, the logistics bases will be connected with the information systems. While Turkey becomes an important intersection point on world trade routes as a regional base in logistics, it is clear that it can provide easier access to near and far geographies with these logistics bases and this will bring new competitive advantages. ■

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I S I N G I N D E X



Transportation Guidebook

Transportation Guidebook comprises useful information about vehicles and transportation, national and international associations and contact information of their members and a glossary.

Finding the details of any transport company in Turkey becomes very convenient by the Guidebook.



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CHANGE IN THE LOGISTICS MAP: DEVELOPMENT ROAD PROJECT AND ZANGEZUR CORRIDOR



Abdulkadir URALOĞLU

► The war between Russia and Ukraine which commenced in 2022 in the continuation of the transformation which started on the global supply chains with the Covid-19 pandemic accelerated the process of change in the logistics map of our region.

Again, due to the security crisis in the Red Sea Region caused by the occupation of Gaza by Israel having started in October 2023, the transit of commercial vehicles on the Suez Canal was affected. This caused the preference of the Cape of Good Hope route. Moreover, the ship called Ever Green sailing from Malaysia to Rotterdam, the Netherlands, ran ashore in the Suez Canal and closed the channel for 7 days and caused a loss of around 10 billion US dollars for the global trade.

In other words, there are serious security problems on the Northern and Southern Corridors, among the trade corridors called the Northern, Middle and Southern Corridors, intensively used between China and South Eastern Asian countries to Europe. Therefore, the global trade needs new corridors and routes.

The strategic position of Türkiye in the Middle Corridor increases her importance in the global trade. According to a study conducted by the World Bank, the Middle Corridor will connect Chinese and European markets to each other and thus, will revive the regional trade and strengthen the connection between the countries on the route.

However, the countries that are the stakeholders of the Middle Corridor have to come together and resolve some minor

problems and prioritize solutions. With this understanding, Türkiye meets frequently with the Middle Corridor countries and discuss measures that will increase the capacity of the corridor and resolve bottlenecks in line with quadruple mechanisms. We come together with these countries under the umbrella of various international organizations. We are looking for alignment methods to facilitate the transports, customs operations and transits from logistics stops under the umbrella of the Organization of Turkic States, TRACECA, Economic Cooperation Organization and United Nations Economic Commission for Europe. As is well-known, we initiated our studies for the roads and railways planned for the Development Road and Zangezur Corridor, which will become the new Silk Roads of Türkiye and the World. We concluded the "Memorandum of Understanding for the Development Road" with the Ministries of Transport of Iraq, Qatar and the UAE on April 22.

We will ensure uninterrupted transportation to every country in Europe from Iraq FAV Port to London with the "Development Road Project" that we carry out by taking into consideration the developing and growing trade volume in the world and the strategic location of Türkiye. We foresee that the project which will transfer the goods to be arrive to Iraq by passing through India, Eastern Asia and Gulf of Basra to Europe with the railway and road connection will be beneficial for a wider geography. Our project which will connect the Faw Port to the Turkish border

and from there to Europe via railways and roads of 1200 kms will also open a new door for the regional trade.

The duration of the journey of a ship setting sail from Faw Port to Europe via Suez Canal will decrease by 15 days in average if the goods are transported to Europe on the Development Road. A ship setting off from China reaches Europe within 45 days in average after sailing around the Cape of Good Hope and if it passes through the Red Sea and the Suez Canal, then it reaches Europe in 35 days. When the Development Road is completed, goods loaded from Beijing will reach London within a short period of time of around 25 days. This Road will be a serious alternative to the Middle and Southern Corridor.

The Middle Corridor countries should meet to take measures to increase the capacity of the corridor and eliminate the bottlenecks. Türkiye organizes frequent meetings with the Middle Corridor countries and supports the development of the corridor. We would like to state that Türkiye places great importance on the opening of Zangezur Corridor in addition to the BTK Line in order to further strengthen the Middle Corridor. Moreover, the Zangezur Corridor will be a third alternative after Baku-Tbilisi-Kars railway project and lines provided through Iran.

Türkiye is ready to shape the future of the global trade by establishing cooperation with her international partners and increasing the resilience, flexibility and environmental responsibility of supply chains. ■



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TURKEY'S LOGISTICS VISION: "INTERMODAL TRANSPORTATION AND GREEN TRANSFORMATION"



Bilgehan ENGIN
President

► The fact that our country has a dynamic logistics industry highlights its potential to be one of the most important logistics hub and transit countries in its region. In order to make the best use of our potential as a logistics hub, there is a need for a transportation network that can provide speed, cost advantage and reliability. Therefore, instead of a type of transport operation based on a single transportation mode, intermodal transportation can be considered as a mode that can provide advantages in terms of service quality and cost for Turkey.

Türkiye is an advantageous country in terms of using every mode of transportation. For this reason, we can talk about the share of four transportation modes in our foreign trade. Maritime transportation has a share of 59.18% in terms of value in our foreign trade. In terms of value in export transportation, maritime transportation comes first with a share of 56.31%. In terms of the weight of the cargoes transported in our foreign trade, sea transportation has a share of 87.77%. After maritime transportation, road transportation ranks second in our foreign trade with a share of 26.18% on the basis of value, while air transportation ranks third with a share of 13.93% and railway transportation ranks fourth with a share of 0.70%. These figures belong to TUIK data of 2023.

Access to Türkiye, Eastern Europe, Central Asia, Middle East, and North Africa is easy through intermodal transportation. In the 2023-2025 Medium Term Program, it was mentioned that projects will be developed

for technological transformations that will facilitate the transition to a low-carbon and sustainable transportation system, especially for railway transportation. The European Green Deal is the EU's new growth strategy, which includes key targets such as zero net greenhouse gas emissions by 2050 and end of economic growth's dependence on resource use. It is focused on eliminating important climate problems such as global warming and sustainability of water resources. Energy efficiency and renewable energy are of great importance in the logistics industry. Using these solutions not only increases efficiency and helps reduce costs, but also contributes to protecting the environment. With the Combined Transportation Regulation published in May 2022, the principles, basis and conditions regarding combined freight transportation and green logistics activities are set. Transportation and logistics companies are entitled to receive the Green Logistics Certificate by ensuring that the conditions specified in the regulation and especially the companies carry out at least 200 combined transportation operations per year. The values of logistics companies with the Green Logistics Certificate enable them to be preferred by exporters. In this way, certified logistics companies get ahead in the competition. With the increasing of interest and obligations in green activities, the importance of green logistics certification will continue to increase. Thus, the Turkish logistics industry will be regulated for green transformation.

Among the solution suggestions for the development of intermodal transportation supported by railways, it should be emphasized that the share of railways in freight transportation should be increased as a priority. There are also areas that need to be improved in order to use railways, which has an important role in intermodal transportation operations. The share of railway transportation in our country's foreign trade is around 1%. In order to increase this rate, the following can be listed: establishing railway connections of ports and OIZs, providing uninterrupted railway transportation in the east-west direction, eliminating technical problems related to the Middle Corridor, and introducing incentives for intermodal transportation. It should be noted that one of the most important elements of intermodal transportation is logistics centers. As in the examples in Europe, logistics centers that are compatible with all modes of transportation, located on trade routes, serving a correct management approach, contribute to the development of intermodal transportation. Likewise, the increase in intermodal transportation will also be beneficial to the development of logistics centers. Strengthening Türkiye's railway transportation infrastructure and using it more effectively can contribute to the country achieving its goal of becoming a world supply chain hub. This requires a comprehensive strategy and investment, but the advantages of rail transport can increase the efficiency and sustainability of the supply chain. ■



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WHAT'S HAPPENING IN THE WORLD'S SUPPLY ROUTES

Hamdi ERÇELİK
Chairman



► Every day, over 50,000 oceangoing cargo ships or tankers are carrying various goods among 6,000 international ports, constituting 90% of world exchange by means of sea, totalling 11 billion tons valued at \$14 trillion. The maritime industry, vital to international exchange, is based closely on interconnected merchant ships and ports. Yet, it faces unparalleled challenges from geopolitical tensions, environmental concerns, and different dangers, jeopardizing the continuity of world trade. Despite past crises, recent occasions have tested the resilience of the maritime shipping, highlighting the growing reliance on maritime trade and the sudden traits of world crises within the last 5 years.

The Covid-19 pandemic heavily affected worldwide maritime transport, disrupting logistics chains and change routes. Lockdowns prompted fluctuating demand, leading to imbalances in shipping volumes. Ports faced congestion due to decreased capacity, causing delays and rerouting of vessels. Crew adjustments have become hard, worsening labour shortages and affecting schedules. Container shortages and system imbalances emerged, highlighting vulnerabilities in logistics chains.

The critical Strait of Hormuz, essential for oil shipments, enables 20% of the sector's LNG supply yearly. Yet, it faces threats from Iranian aggression and regional instability, risking global power markets. Disruptions should spike oil fees, impacting economies globally, underscoring its strategic importance

regardless of reduced reliance on Middle Eastern oil.

The Malacca Strait, a vital maritime chokepoint, experiences increasing ship traffic and environmental harm. Recent data hints at slightly lower freight rates, potentially signaling route adjustments. Safety and sustainability worries persist despite its facilitation of 30% of global trade, as does the Strait of Taiwan for 40% of the world's container fleet. Given China's energy dependence on it, disruptions could impact sectors and induce oil price swings, significantly affecting global maritime logistics. Environmental demanding situations continues to be a cause for concern in Panama Canal. Drought within the Panama Canal precipitated draft restrictions, decreasing cargo capability. This year, because of warming, the canal's capability fell by means of 36%, in spite of dealing with 5% of global maritime shipping. Restricted canal slots should mean 4,000 fewer crossings annually, with 2,000 transits diverted via the Cape of Good Hope, emphasizing the need to deal with environmental troubles in maritime operations.

The shipping and port industries are closely related, going through vast demanding situations from maritime risks and threats. These risks, stemming from geopolitical tensions, environmental issues, technological vulnerabilities, and security issues, effect both shipping and port operations. For instance, conflicts just like the Russia-Ukraine war disrupt

exchange routes, leading to port closures and better prices and effect might be projected to another port or country on the other end of the world. Environmental demanding situations such as drought within the Panama Canal lessen shipment capability, inflicting delays. Cybersecurity threats and safety issues like piracy additionally have an effect on maritime conversation structures and port operations, underscoring the want for complete threat control techniques.

In addition to those mentioned the security threats, which include piracy, terrorism, and prepared crime, pose additional risks to maritime sea strains of conversation and port operations. Piracy attacks in regions like the Gulf of Aden, Gulf of Guinea or the Malacca Strait can disrupt trade routes, boom insurance costs, and have an effect on vessel schedules. Similarly, terrorist threats or smuggling activities can undermine port safety and pose protection risks to employees and cargo.

In summary, the worldwide maritime trade faces multifaceted challenges that require a comprehensive technique to safeguarding worldwide supply chains. By addressing geopolitical, environmental, technological, and safety risks, companies can navigate these demanding situations and make sure the stable, green, and sustainable maritime trade. Embracing innovation and resilience, the maritime trade can seize emerging opportunities and chart a course towards sustainable increase in an ever-evolving international environment. ■

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EXPORT SHARE INCREASED TO 40 PERCENT IN TÜRKİYE

Yalçın ŞENTÜRK
Chairman



► The Turkish trailer sector completed the 100th year of the Republic with a record. We exceeded 60 thousand trailers for the first time in our history. We reached the higher number of trailers of all times with 37 thousand trailers within Türkiye and approximately 25 thousand in exports.

Our main goal when establishing TREDER was to make Türkiye the production center of Europe. We have achieved a lot to realize this goal. We are the second country producing the highest number of trailers for Europe after Germany. The trailer production in Türkiye increased by 8-fold in 20 years by 2.5-fold in the last 3 years. There are 66 producers manufacturing more than 100 trailers per year. However, the number of producers manufacturing more than one thousand is 8 and the number of producers manufacturing more than 5 thousand is only 2.

The export value of Türkiye reached 1.5 US dollars per kilo, 16 US dollars in Turquality and 15 US dollars in exports in free zones. Our trailer export volumes reached 800 million US dollars by end product and the byproducts nearly

1.2 billion US dollars. We are the most important suppliers of logistics. In 2022, the goods transportation by road reached 323 billion ton kilometers and the total road usage by passengers and goods reached 140.5 billion vehicle-kilometers.

Difficulties are experienced in 2024 as expected. Tension between Israel-Iran was also added to the Russia-Ukraine war. The political developments in the region make things more difficult and uncertain than always. The decisions made for the fight against the inflation within the country make access to finance nearly impossible. So, what can we do? Export will be the best motivation of the Turkish trailer industrialist. We have increased the export share in our production to 40 percent. We have the capacity to increase this more.

TREDER continues its activities in 2024 for both social responsibility projects and the studies the sector needs. 'Trailers of Future Set Off' training project was organized under the umbrella of TREDER in cooperation with Intermodal and Mobilite. I extend my gratitude to especially Technical Committee Chairman Fuat Erdem for his

efforts for the organization of the training regarding the current standards and future standards to be implemented regarding the trailer sector. We never stop trainings and will continue with our trainings.

TREDER continued its support for the earthquake victims also in Ramadan. We provided 12 Şubat Municipality in Kahramanmaraş, one of the cities affected by the earthquake the most, one thousand shopping cards worth of 500 thousand liras for distribution to those in need. Mind Games Program was also launched for the earthquake victim students in İskenderun and Antakya with the supports of TREDER.

We organized our Board of Directors meeting in Konya. We held a meeting with President of Chamber of Industry of Konya Mustafa Büyükeğen and Board Chairman of Chamber of Commerce of Konya Selçuk Öztürk. We also organized an iftar dinner for our suppliers in Konya. TREDER now attracts more and more interest. I hope that we will continue to meet for bigger organizations in better days. ■



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CRUCIAL NEEDS TO EXPLORE NEW ROUTES FOR FREE TRADE



Ilker ALTUN
Managing Director - Aysberg Group

► The Cape of Good Hope undoubtedly has a historical place and importance in the opening of new discoveries and new trade routes. I think no one could have predicted that centuries later the Cape of Good Hope passage would again play a strategic role in world trade. When it was first discovered and in the historical periods that followed, the Cape of Good Hope opened a new horizon for the world. It was the door of hope, as it was called. When the Suez Canal, which connected the Far East to Europe by sea, was opened in 1869, it brought a new freedom to the journey of trade. Thanks to this transition, the shortest and fastest sea route trade line between Europe and the Far East has been put into the service of the world.

Today, the Cape of Good Hope and the Suez Canal are again making their mark on the agenda of the global world with equal weight.

Although the path of civilization is brightened by the discovery of new lands, new continents, new geographies overseas, there are many different elements in the spirit of trade. When the trade routes were not yet sufficiently explored, caravansaries were able to transport products from one geography to another without encountering any obstacles other than natural obstacles and without time pressure. It is possible to say that goods and people can move freely along the routes of the old civilization era, such as the spice road and the silk road.

As civilization has developed, wars have paradoxically entered more into the life of societies in a way that is contrary to the spirit of civilization. For this reason, wars, trade wars and political factors, not barriers such as seas, rivers, mountain ranges, natural disasters, have started to create more obstacles in front of trade. Maritime has always been a pioneer in the opening of new trade routes and discoveries. During the age of empires, maritime also assumed an important function in the development of trade. Thanks to the new trade routes, the variety of goods traded has also increased. In the post-pandemic world, this time we see that regional wars actually directly and deeply affect world trade. It is obvious that the war that started with Russia's intervention in Ukraine has had such negative effects on world trade on a global scale, as well as on the whole of Europe. In addition to military conflicts, trade wars and embargoes have created new restrictions on free trade between countries. Undoubtedly, the free movement of goods is regulated to some extent to meet the needs of the modern world, on the other side there are also a number of obstacles to the free movement of labor and individuals. While quotas, implicit subsidies and customs duties limit free trade, visa barriers also place serious restrictions on the free movement of persons. Today, it seems that free trade works with all its rules. Foreign trade markets are also neutralizing the

pandemic effect and moving towards new horizons thanks to technological developments in both Infrastructure and superstructure in the logistics sector. But when it comes to free trade and the free movement of labor, how far ahead are we compared to the 16th or 17th centuries, everyone should ask this question more. Today, global trade needs new routes not only because of the crisis in the Suez Canal, but also because of the conjuncture created by wars and regional conflicts. Although new routes in logistics are on the agenda, maritime and land transportation are still the largest carriers of trade in the wide world geography. Nowadays, E-commerce has almost become commerce itself. Of course here transactions take place electronically but e-commerce also ultimately needs physical delivery, and the logistics of this business are mainly completed by road and air transportation.

It is clear that Turkey has a very strategic geographical superiority in both the east-west and south-north axis in the search for new routes and current routes of global trade. It is also a fact that both competitiveness in foreign trade and superiority in logistics have carried Turkey to important points of world trade map in 2024 Undoubtedly, it is a strange paradox that the logistics sector is faced with many micro problems such as driver's visas. Let's not forget to underline again the dream of a world where goods and people move freely. ■

APPROVAL TO 6 LOGISTICS HUBS TO BE ESTABLISHED ABROAD

Türkiye started actions for the Foreign Logistics Distribution Networks (FLDN). Approvals are obtained for 6 logistics hub planned to be established, including 4 in Europe and 2 in the USA.

► The Foreign Logistics Distribution Networks (FLDAs) are started to be established in order to improve both the goods and service exports of Türkiye. The FLDAs will create infrastructure options to make sustainable the export performance of Türkiye in important markets. Approvals were granted for 6 logistics hubs. Thanks to the logistics network of the FLDAs, the countries and companies that want to use Turkish products and these distribution network will be able to use from a single point all of the storage and transportation services including customs brokerage and the distribution, value added logistics services and the supply chain management services. Enabling distribution from a single point, these networks will allow the exporters to save on additional logistics costs and broker fees. Ensuring an effective and comprehensive flow of the products of Türkiye wanting to boost its exports, this project will allow exporters to penetrate into the international supply and distribution chains of the exporters faster and with more competitive prices as well as create infrastructure alternatives to make sustainable the export performance of Türkiye in

important markets.

After the centers to be established in Europe and the USA, necessary feasibility studies are carried out to establish distribution networks in Asia and Africa. These additional networks will ensure that Turkish products and logistics companies will easily access and export to all parts of the world. Moreover, the logistics hubs to be established around the world will be connected to each other with the information technologies systems to be established.

The logistics hubs will provide customs brokerage, storage and transportation services, value added logistics services and supply chain management services and will have a storage area of minimum 5 thousand square meters. Moreover, they have to own 50 commercial vehicles with the license plates of the countries where they are established. These centers will include everything required for logistics and distribution. The logistics hubs can be established by Turkish companies based in Türkiye, whose minimum 51 percent of the capital will be Turkish.

What is a foreign logistics distribution network?

The Foreign Logistics Distribution

Network is premises that are established abroad, purchased, rented or for which services are received and ensure provision of services regarding the distribution and storage, loading, unloading, shipment, handling, dangerous goods transactions, cargo merging-demerging and refrigerated storage of the export goods from a single center. These premises should have minimum two different transportation modes used for international transportation and logistics (road, sea, air or railway). They should also have information and technology systems capable of managing the entire process from end to end in order to ensure an integrated distribution network and goods consolidation with the operation of this network.

Supply and distribution chains should be created and developed in order for the export goods to access to international markets. This will enable entry into target markets and prosper in a sustainable way in them. The FLDN Support Program is implemented to provide the initiatives and financial support that the cooperating institutions and companies will need for the establishment and operation of an export oriented network. ■

NEW REQUIREMENTS TO APPLY FOR TRANSPORTATIONS TO THE EU



► The European Union's new customs pre-arrival safety and security system - Import Control System 2 (ICS2) - will introduce a new process for entry of goods by maritime and inland waterways, road and rail in the EU as of June 3, 2024. This is the third phase or release of the implementation of the new system that will extend safety and security data reporting requirements to all modes of transport. Similar requirements already went into force for air transportation of goods. With this third release, maritime and inland waterways, road and rail carriers will also need to provide data on goods sent to or through the EU prior to their arrival, through a complete Entry Summary Declaration (ENS). This obligation also concerns postal and express carriers who transport goods using these modes of transport as well as other parties, such as logistics providers. In certain circumstances, final consignees established in the EU will also have to submit ENS data to ICS2. Traders are strongly advised to prepare in advance for Release 3 to avoid the risk of delays and non-compliance. Affected businesses will be required to make sure they collect accurate and complete data from their clients, update their IT

European Union will launch Import Control System 2 (ICS2) on June 3. New requirements will apply for transportations to the EU.

systems and operational processes, and provide adequate training to their staff. From December 11, 2023, traders will also need to successfully complete a self-conformance test before connecting to ICS2, to verify their ability to access and exchange messages with customs authorities. EU Member States will grant authorization, upon request, to the affected traders to gradually connect to ICS2 within a time-limited deployment window. Member States can grant the deployment window anytime within the following timeframes, which are from June 3, 2024 to December 4, 2024 (maritime and inland waterway carriers); from December 4, 2024 to April 1, 2025 (maritime and inland waterway house level filers); and from April 1, 2025 to September 1, 2025 (road

and rail carriers). If traders are not ready on time, and do not provide the data required under ICS2, goods will be stopped at the EU borders and will not be cleared by the customs authorities.

The EU is a major player in international trade accounts for around 14 % of the world's trade in goods. By collecting safety and security data, EU customs authorities will be able to detect risks earlier and to intervene at the most appropriate point in the supply chain to keep trade safe for the EU and its citizens. ICS2 will simplify the movement of goods between customs offices at the first point of entry and final destination in the EU. ICS2 will provide a single access point to communicate with all EU Member States' customs authorities for all EU operations instead of 27 national interfaces. For traders, ICS2 will also streamline requests for additional information and pre-departure risk screening by customs authorities, thus reducing administrative burdens for businesses. ICS2 has been prepared in close collaboration between the European Commission, Member States' customs authorities and businesses. The system is being implemented in three releases that will gradually replace the existing import control system. ■

'DEVELOPMENT ROAD' TO BE CONSTRUCTED BETWEEN TÜRKİYE AND IRAQ



► The Minister of Transport and Infrastructure met with Iraqi Minister of Transport Rezzak Muheybes es-Sadavi and the council accompanying him during his official visit to Türkiye. Minister Uraloğlu and his Iraqi counterpart Rezzak Muheybes es-Sadavi met with the press after their mutual meetings and the meetings of their councils.

Noting that they discussed regional matters and the cooperation with Iraq during their meeting, Uraloğlu made the following remarks: "Our most important topic is the development

road corridor. We exchanged information regarding the current situation of the project both during our meeting and the meeting of the councils. We had a very useful meeting."

Giving information also on the current situation of the Development Road Project, Minister Uraloğlu told: "They informed us that they achieved a significant progress both for the railway and road projects on the Development Road. We are also closely monitoring the same. We will hopefully together see the developments regarding the

financing and tender of the Road in future months."

Uraloğlu further made the following comments: "We also shared information on the works that we are required to carry out for the Turkish part of the Development Road. We carry out these works fast. We are especially aware of the ships sailing round the Cape of Good Hope due to the well-known incidents in the Red Sea. Today the transports from the Cape of Good Hope take around 45 days and from the Red Sea around 35 days. We are aware that when the Development Road is completed, the transports from both points will take only 25 days. We are also aware that how important this is. We are continuing to work day and night. Our councils also continue mutual close cooperations in both countries. I extend my gratitude to the Esteemed Minister and his council for his visit to Türkiye."

Offices to be opened in Iraq and Türkiye

Iraqi Minister of Transport Rezzak Muheybes es-Sadavi told that they talked about the works carried out for the Development Road Project and Faw Port and further made the following comments: "The development road is comprised of 3 main parts. We have completed 85 percent of the Grand Faw Port, which is the first part. Its second part is the railway network. 55 percent of this network has been completed. Its third part is the highway. 35 percent of it is now in operation. We as Iraq continue our efforts."

Stating that some expropriation works ■



REGULATION ON RAILWAY TRANSPORTATION IS REVISED

The regulation governing the railway transportation activities is revised and published by the Ministry of Transportation in today's Official Gazette. The revised regulation sets principles regarding the railway infrastructure and train operators and agencies and terminal or station operators.

► The revised regulation published in the Official Gazette introduces the requirement to obtain a DA certificate of authorization for the railway infrastructure operators, a DB1 certificate of authorization for the passenger train operators, a DB2 certificate of authorization for the freight train operators, a DB3 certificate of authorization for shunting services operators, a DC certificate of authorization for the terminal or station operators and a DE certificate of authorization for real and legal persons to provide agency services. Minimum capital requirements are determined for the companies requesting a certificate of authorization with the regulation. The passenger and freight train operators and terminal or station operators should have a minimum

capital of 50 million liras and the shunting services operators should have a minimum capital of 5 million liras. Fees to be paid per document is also determined with the regulation: A fee of 946 thousand and 319 liras is expected from the passenger and freight train operators and the terminal or station operators and of 94 thousand and 631 liras for the shunting services operators. Moreover, a fee of 32 thousand and 173 is expected from the passenger transportation agency certificate and of 236 thousand and 580 for the freight transportation agency certificate. The issued and renewed certificates of authorization will be valid for 5 years. The Regulation also requires the railway train operators to submit a proper insurance policy, letter of guarantee or letter of surety in order

for the railway train operators to satisfy their financial obligations in case of an accident. Freight transportation train operators will be responsible for loss of, damage to, theft of goods and injury to the personnel while the passenger transportation train operators will be responsible for the accidents caused by their faults.

The Regulation also states that the certificate of authorization holders will be periodically audited and their certificates of authorization might be suspended or canceled if they fail to satisfy the set conditions. Subjects such as professional reputation, financial and professional capability, renewal and transfer of the certificates of authorization, responsibilities of the certificate of authorization holders and administrative fines were also revised by the Regulation. ■

RAILWAY COOPERATION BETWEEN TÜRKIYE AND IRAQ GETS STRONGER

► A meeting was hosted by Turkish State Railways with the council of Iraq Railways within the scope of the "Development Road Project" carried out under the leadership of the Ministry of Transport and Infrastructure.

Consultant to Iraq Minister of Transport Naser Salih Abdulnabi Al-Salman, Iraq Railways CEO, Younus Khalid Jawad Al-Kaabi and Turkish State Railways CEO Hasan Pezük and representatives from Ministry of Transport and Infrastructure General Directorate of European Union and Foreign Relations, Turkish State Railways, TÜRASAF, General Directorate of Roads, General Directorate of Infrastructure Investments and Turkish State Railways Technic attended the meeting.

After the technical visit to Şırnak on October 11 to 12, 2023 in order to examine the border transit point in the border connection of both countries, today the "Development Road Project" was discussed with the participation of the responsible officers. Information was shared at

the meeting regarding the studies carried out by both countries regarding traffic demand, goods transportation, transportation services and infrastructure for the direct railway connection to be established between the countries. The current needs regarding goods and passenger demands, project data, port connections and request and capacity analyses regarding international railway transportation were examined in detail. The technical criteria regarding the procurement of locomotives and wagons and the railway line implementation project calendar were discussed. Site conditions, access to site and safety were evaluated during the construction process planning.

Azerbaijan Railways Chairman Rüstemov Visited Turkish State Railways

Having been present in Ankara in order to attend to the General Assembly Meetings of Trans-Caspian International Transport Route (ITTR) International Association, Azerbaijan

Railways Board Chairman visited Republic of Türkiye State Railways CEO Hasan Pezük. Information was exchanged regarding the current railway situation of both countries in the sincere meeting. New projects for Baku - Tbilisi - Kars Railway Line and increasing and developing the current volume were also discussed at the meeting.

Cooperations were established regarding training and consultancy services such as development of railway infrastructure, digitalization, capacity allocation and traffic management and agreement was reached regarding the development of the relations between two countries and railways. Providing information on the meeting, Turkish State Railways CEO Hasan Pezük told that they discussed new projects for BTK Railway Line connecting Türkiye and "Brother Azerbaijan", our old friend, flesh and blood, and discussed options regarding increasing the current volume and talked about cooperations that will develop logistics transportation further. ■



CUSTOMS REGULATION AMENDED

The Regulation Amending the Customs Regulation entered into force upon its publication in the Official Gazette. According to the new Regulation, the companies holding the status of 'authorized economic operator' will be able to file applications without waiting for the actual activity duration for the transactions regarding 'customs approved operator' status which may perform after demerger.

► The Ministry of Trade made a regulation amendment including arrangements regarding the customs and warehouse transactions. According to the 'Regulation Amending the Customs Regulation' published in the Official Gazette, the authorized economic operators can now file applications without any waiting time for the transactions with customs approved operator status. Moreover, provisions regarding that cargo fee will not be taken into consideration while making a valuation on the non-commercial goods transported by mail and fast cargo were added to the amended regulation. The regulation allowed alignment of the business processes in the international trade and logistics sector with the commercial reality. The regulation was also enacted to prevent different evaluations by the customs offices for goods transfers in the warehouses, to clarify the legislation and to determine the sanctions to be implemented in case

of missing transactions. The airline companies carrying out passenger and goods transportation activities were enabled to use the 9-month extension provided for the temporary import transactions. As the temporary storage locations were closed with the regulation, transactions regarding physical changes that can be performed on temporary storage locations were clarified by the regulation. Thanks to the amendment made, if additional duration is requested for the investment permit and if the related parties do not file applications or no additional duration is requested again at the end of this duration, these permits can be canceled. The controls required to be made regarding the storage area and field were determined and the differences between the storage field and storage site were clarified under the amended regulation. The conditions for satisfaction of the full or partial closing of general and private

warehouses upon the requests of their owners and the transactions to be performed by the customs offices for opening and operation permits in case of closure of warehouse were clarified with the amended regulation. The applications for the authorized customs broker certificates by the persons who are subject to any investigation or legal proceedings were allowed to be evaluated by the Ministry with the amendment made, by taking into consideration the long proceeding durations. Sanctions to be implemented in case of incomplete transactions regarding transfer of goods were clarified under the amended regulation. Administrative fines were introduced with the amended regulation for the cases where operators do not comply with the obligations for entering the temporary storage locations and/or warehouse based on the permits granted by the customs administrations. ■

EKOL WORKS FOR A BETTER WORLD WITH GREEN SOLUTIONS

► Ekol, one of Europe's leading logistics providers, prioritizes sustainability by integrating it into their business models and implementing investments with this understanding. Operating with a dynamic transformation principle focused on sustainability, Ekol will continue its investments in LEED Certified facilities developed with a leadership approach in new technologies, innovation, e-commerce, and environmental design.

Gives breath to the world with its solutions

Ekol is a pioneer in green logistics practices in its sector. With 16 years of experience in intermodal transportation, Ekol provides customers with many advantages such as low cost, high capacity, on-time delivery, environmental

factors, and security, showcasing an exemplary business model in environmental sustainability. Ekol expands its service network by constantly adding new lines to intermodal, an environmentally and ecosystem-friendly transportation model and thus contributes significantly to the low-carbon economy model. Ekol has prevented the emission of 658,000 metric tons of CO₂ into the atmosphere thanks to a reduction of 438,000 cubic meters of diesel fuel use over the last 10 years with intermodal transport, its sustainable business model. In other words, the company has achieved a reduction in the consumption of fossil fuels that is equivalent to 74,753 hectares of forest, 14 times larger than Istanbul's Belgrade Forest, and enough to travel to the Moon and back 1,700

times. Each month, Ekol prevents the consumption of enough fossil fuels to save a forest the size of 700 soccer fields. These fossil fuels are enough to power 350 circumnavigations of the world.

Ekol is one of the leading logistics providers in Europe, with distribution centers in Turkey, Germany, Italy, Greece, France, Ukraine, Romania, Hungary, Spain, Poland, Slovenia, and Sweden covering more than 1 million square meters of indoors area. It also offers intermodal transport by leveraging its 52 unit trains and 7,500 vehicles.

Working to create shared value

Today, the population is growing faster than resources. Therefore, Ekol is continuing its activities with the aim of creating shared value, recognizing the importance of





climate crisis. With the European Green Deal, Ekol is aligning with the European Commission's policy to make Europe climate neutral by 2050. Ekol aims to be carbon neutral by 2030 by reducing its absolute emissions (Scope 1-2-3) by 55 percent compared to 2020, and by reducing the total emissions caused by its vehicles operating in Europe by 75 percent by 2050.

With its multinational structure, Ekol stands by SMEs.

E2E software solutions provided by Ekol, which also offers e-commerce, fulfillment, shipping, integration, and order management infrastructure, form the critical building blocks of Ekol's e-commerce growth strategy and are at the center of its growth strategy. Through Ekol360, the innovative



brand of e-commerce, end-to-end value-added services are offered, allowing customers to focus on their own production. With integrated solutions in 11 countries, Ekol facilitates the global expansion of its business partners thanks to its multinational structure. Ekol360, with its strong infrastructure, not only provides value to Ekol but also to the entire e-commerce ecosystem. It delivers end-to-end software-supported e-commerce solutions needed for Turkish SMEs through internal resources and strategic partnerships with existing and potential partners. Ekol360, which generates projects to serve three continents, focuses on running operations in different geographies with its service diversity. ■

industry collaboration and change. Their goal is to do what is necessary to leave a better world than they found, driven by this awareness. The company has been calculating its carbon footprint in accordance with international standards since 2012 to measure and manage its environmental impact. As a result, Ekol develops low-emission projects that contribute to sustainability and minimize the effects of many greenhouse gas emission sources such as energy consumption, waste management, consumables consumption, employee vehicles, and services.

Ekol's top priorities include developing more sustainable business models by using natural resources in the most optimal way in its logistics activities and ensuring sustainable development through the creation of business processes and projects that respect the ecosystem. Ekol, which is the largest investor in sustainability in its industry in Turkey, is committed to serve the low-carbon economy model while building a facility or drawing a new route to reduce carbon dioxide emissions. Working to comply with European Union regulations, Ekol is the first company in Turkey to be awarded the "Green Logistics Certificate" by the Ministry of Transport and Infrastructure. The company is committed to the European Union Green Deal carbon

neutrality targets in all its projects and invests in automation solutions that provide high-tech optimization of fleets and ports supplied with low-carbon technologies and equipment (electric tow trucks, a road train application, biofuel).

A green facility that boasts the largest storage space in europe: Lotus

At Lotus, Europe's largest green facility in terms of storage space, Ekol meets 70 percent of its energy needs with a rooftop solar power plant and continues to improve this gain, which is equivalent to the annual electricity consumption of 2,900 households, with new SPP investments.

At the Lotus facility, Ekol has reduced CO₂ emissions by 3,100 metric tons of CO₂ per year, which is equivalent to the planting of 140,000 trees. The total installed power capacity of Lotus SPP is 5,589-kilowatt power (kWp). Of this capacity, 4.8 percent is provided by solar panels installed on the parking lot with a peak of 270 kilowatts, and 1.3 percent by solar panels installed on the porches on the walkway.

Supports the fight against climate crisis

Ekol has mapped all its operational and value chain emissions to reduce its emissions in the fight against the

ALİŞAN LOGISTICS CONTINUES TO GROW WITH THE MOTTO "TO NEW HORIZONS"

► **Could you please provide a brief overview of Alişan Logistics? What are the industries that you serve?**

Established in 1985, Alişan Logistics is the pioneer SQAS assessed company in Türkiye for Warehousing, Transportation & Tank Cleaning Modules. As a member of PSA Group since June 2023, Alişan company has a self-owned 550-vehicle fleet and more than 1600 employees in more than 50 different locations throughout Türkiye and it offers its customers operating in the chemicals industry, including hazardous chemicals, and fast-moving consumer goods, food, agriculture and many other industries, services such as

international transportation, storage/warehousing services, dry bulk, liquid bulk, and energy transportation. Alişan Logistics meets the demands of its customers from A to Z with its integrated logistics services, also called "contract logistics" in the industry and creates tailor-made solutions with high added value.

What steps have you taken in terms of investments in digitalization and technology?

Innovation and technology investments, as in every sector, are among the most important parameters for creating a difference among competitors in the logistics

industry. In our sector, there are 13 R&D centers approved by the Ministry of Science and Industry. Two of these were established by our company. We can say that Istanbul and Konya regions are our bases in this regard. Around 50 experts work in our R&D center. Today, we focus on a working system where the real and virtual worlds act together, where users and transportation vehicles communicate with each other, thus ensuring error-free and more efficient processes; we design, create and implement software systems with high integration capability that communicate with our customers' business tracking systems. This also increases our customer satisfaction.

Could you talk about the initiatives and sustainability activities of Alişan Logistics that stand out with its 'Green Logistics' activities?

Due to our expertise, particularly in the transportation of hazardous chemicals, is a very sensitive issue for us. We have been conducting sensitive work for a long time to reduce waste and dispose of the remaining output without harming the environment; our investments are made in this direction. As a company, we are working to create a cleaner and more livable future by integrating the concept of sustainability into our business practices. In this regard, our efforts have earned us the "Green Logistics Certificate"



Damla Alişan
CEO

from the Ministry of Transport and Infrastructure as of February last year, once again placing us among the pioneers in our country.

The activities that earned us this certificate under the scope of "green logistics activities" include conducting a minimum of 200 combined freight transport trips annually, meeting at least 5% of our energy consumption with electricity generated from renewable energy sources, donating seedlings for afforestation areas approved throughout Turkey, aiming to reduce natural resource usage, holding certifications such as ISO 14001 for Environmental Management Systems and ISO 14064 for Quantification and Reporting of Greenhouse Gas Emissions, implementing a zero waste management system, and efforts to measure and reduce our carbon and water footprints.

Since 2005, we have been fulfilling all the measurement requirements and commitments of SQAS (Safety and Quality Assessment for Sustainability) flawlessly. In November 2021, we were audited for the 6th time, reaffirming our serious expertise, infrastructure, and successful operating model in the services we provide in handling,



transporting, and storing chemical substances. We even surpassed the European average scores, becoming one of the best implementers of the system. Last year, in addition to our full score in Storage and Transportation, we also obtained the OCS (Operation Clean Sweep) certification by fulfilling all the requirements of OCS, which was initiated in SQAS in 2023. Being part of OCS, an international program based on voluntarism aimed at

increasing awareness and creating good practice examples to minimize the environmental damage caused by plastic pallet loss, is seen as a valuable step towards leaving cleaner seas and a cleaner world for future generations. Furthermore, every year, the Carbon Disclosure Project (CDP), an international non-profit organization based in London, asks companies to disclose their environmental performance for the year 2023, particularly concerning greenhouse gas emissions, energy use, and climate change risks and opportunities they carry. Alışan Logistics, receiving an "A" score for the management of climate risks, was accorded an overall score of "B-". With this rating, our company has once again proven its environmentally sensitive approach in the logistics sector and its commitment to contributing to a sustainable future, surpassing the global average.

What is your growth target for the year 2024?

Under the motto "To New Horizons" with our global partner PSA BDP, our main goals are to continue the growth trend of over 100 % that we have achieved in the past three years, while continuing to provide high quality, sustainable and tailor made services to our valued customers. ■





KOLAY GELSIN: AN EXPERIENCE-DRIVEN APPROACH TO LAST-MILE LOGISTICS

► The fast pace of daily life has made it crucial for all orders to be delivered quickly and seamlessly. Besides wanting our packages delivered faster, we also desire the flexibility to manage our delivery preferences according to the changing conditions of our daily lives. This is where Kolay Gelsin steps in to make your life easier.

Kolay Gelsin addresses the unique needs of each customer by leveraging advanced technology and an experience-driven approach. Offering an interactive ecosystem to both recipients and senders, Kolay Gelsin operates under the motto, "We make packages fit your schedule, not the other way around!"

Recipient in control

With a single click on a text link, users can access Kolay Gelsin's three key services: Change the Delivery Date,

Deliver to My Neighbor, and Change the Delivery Address. In just a few seconds, you can change your delivery date, choose to have your shipment delivered to a neighbor, or update your address. These solutions, tailored to meet diverse needs, enhance customer



comfort and contribute to higher successful delivery rates for brands.

Friendly customer operation specialists

Evolving shopping habits have significantly transformed the concept of the "brand ambassador." In this new era, couriers delivering shipments have joined sales representatives as key brand ambassadors. Kolay Gelsin's Customer Operation Specialists (MOY) have ushered in a new era with their motto, "Always friendly delivery." In this regard, MOYs stand out in customer experience while also representing sender brands in the best possible way. With its standout technological services, proactive communication, and experience-driven approach, Kolay Gelsin has been dedicated to providing the best service to its customers since day one. ■

WE HAVE PAVED THE WAY FOR INNOVATIVE THINKING IN E-COMMERCE TRANSPORTATION

- Eight years ago, we embarked on a mission to answer the question, "How can we make e-commerce transportation in Türkiye more technological and human-oriented?" We scrutinized the concepts of "experience" and "technology" at every turn, creating novel approaches to fulfill customer expectations. With an eye on current dynamics, we crafted and executed all our processes to ensure brands and customers receive the premium service they deserve. We are proud to see our efforts culminate in Kolay Gelsin becoming a "lovebrand," setting a coveted benchmark for the industry.

"Customer satisfaction is directly linked to how a company views its customers"

Since day one, we have prioritized "people" and "creating positive experiences for them." We moved beyond the idea of "just delivering a package" and introduced our industry to "delivery on the right date, to the right person, at the right address." To achieve this, we have introduced technology-based services that can be managed in seconds with a couple click, including "Change the Delivery Date," "Deliver to My Neighbor," and "Change the Delivery Address." Aligned with our "transparency" principle, we have empowered recipients to view information such as the name, photo, and license plate of the Customer Operation Specialist (MOY) making the delivery while live tracking their shipment. With our "Don't Ring the Bell" service, customers who prefer not to have their doorbell rung can now inform us with a single click. We have showcased

these benefits and more through our philosophy of "Making life easier by providing the best service possible." This approach has shown us that customer satisfaction is directly linked to how a company views its customers.

"Accurately meeting needs depends on the strength of the ecosystem"

Before the pandemic, the transformative impact of personalized services in e-commerce transportation went largely unnoticed, but the pandemic has made this reality more evident. We experienced times when going to physical branches to return a product posed a significant risk to our loved ones. During this period, we minimized this risk by meticulously collecting returns from our customers' addresses with our "Return Shipment" service. Introduced during challenging times, this convenient service now spares our customers the hassle of visiting physical branches, giving them the gift of time. We are streamlining the interconnected operational processes of delivery and return shipments for our brands in a single, unified system. We know that meeting customer needs effectively and accurately depends on the strength of this ecosystem.

Technology and customer friendliness must go hand in hand

While technology is crucial for customer satisfaction, it alone isn't sufficient. Keeping this in mind, we developed the brand of the "Customer Operations Specialist" (MOY). We make sure our MOYs regularly undergo proficiency tests, ensuring they step into their roles with top-level knowledge and appropriate workwear. We position our MOYs as



Gülçin Poyraz
General Manager

"brand ambassadors" for their friendliness and positive demeanor, ensuring they enhance the sender's brand image.

The unique characteristics of e-commerce demand accurate analysis

Research shows that 61 percent of customers say that fast delivery motivates them to shop more frequently. Kolay Gelsin satisfies our customers' need for fast delivery through our "Same Day Delivery" service. Research also indicates that at least 62 percent of customers want easy access to a service's support line. Accordingly, besides the usual support channels, we provide our customers with the fastest responses and solutions through our WhatsApp communication line. We have also designate a "Key Account Manager" for each brand that entrusts their shipments to Kolay Gelsin, providing them with comprehensive KPI reporting to support their journey to success.

As a young and dynamic team that has paved the way for innovative thinking in e-commerce transportation, we will continue to work with all our strength to provide our sector, partners, and customers with the "services they deserve" and to "make their lives easier." ■



Peter Kiss
CEO

METRANS: YOUR TRUSTED PARTNER IN INTERMODAL LOGISTICS

► In the realm of logistics, METRANS stands out as a reliable leader with over 30 years of experience in intermodal transport solutions. Our reputation for neutrality and reliability has made us a preferred choice for businesses across Europe, offering a comprehensive range of services tailored to meet the diverse needs of the logistics sector. With a network of 20 European hinterland terminals and a fleet comprising more than 130 locomotives and 4000 rail cars, METRANS is dedicated to providing seamless transport solutions. Our operations include over 650 trains per week, linking major European ports with the hinterland. Through our extensive terminal network and regular shuttle trains, we prioritize efficiency, speed, and reliability, ensuring that goods reach their destinations without delay.

Diverse transport options

At METRANS, we pride ourselves on innovation while staying true to our core strengths. Our fleet includes electric, diesel, and hybrid locomotives equipped with energy recovery technology, ensuring optimal efficiency and reduced emissions. While rail transport remains our primary focus, we understand the importance of integrating trucking services. Our network of trusted trucking partners enables us to provide reliable last-mile deliveries, complementing our rail services to offer comprehensive logistics solutions.

Commitment to sustainability

METRANS is deeply committed to environmental sustainability, aligning with the principles of the Green Deal. Our HHLA Pure Project exemplifies this commitment, offering customers a climate-neutral transport chain. By utilizing electric crane systems,



automated guided vehicles, and e-traction locomotives, we minimize environmental impact and contribute to a greener future. Since 2018, we have championed CO2-neutral transportation, setting the standard for eco-friendly practices within the industry.

Future plans, expansion, and strategic connections

While METRANS already operates terminals in various countries, we remain attentive to growth opportunities guided by market demand and partner feedback. Our



dedication to further developing of our services in Turkey is evident, with regular connections to/from Slovakia, Hungary, and Serbia already established. Looking ahead, our focus is on establishing a direct service between Turkey and Poland, alongside providing customized block train solutions to meet specific customer needs.

Adapting to market dynamics

As the demand for swap body and trailer transport grows, METRANS is prepared to meet evolving needs. Plans are underway to transport

such equipment, particularly from Turkey to Europe. Investments in infrastructure and equipment preparation are being made to ensure seamless operations. Trailer transport is expected to commence in the 3rd quarter of this year, reflecting our commitment to staying responsive to market trends.

Turkey's role in Eurasian connectivity

Recognizing Turkey's strategic importance as a bridge between Europe and Asia, METRANS is exploring railway services connecting Europe and China via Turkey. The middle corridor offers a promising route for cargo transit, presenting an alternative to routes via Russia and Belarus. Through ongoing discussions and partnerships, we aim to expand our services to include regular trains to Istanbul, meeting the growing demand for reliable and cost-effective transport solutions along the middle corridor.

In conclusion, METRANS remains steadfast in its commitment to excellence, sustainability, and customer satisfaction. With a focus on innovation and reliability, we are poised to navigate the complexities of the logistics landscape, ensuring seamless transport solutions for our valued customers. ■

THE HUB OF INNOVATIONS AND DEVELOPMENTS IN THE LOGISTICS SECTOR: LOGITRANS FAIR

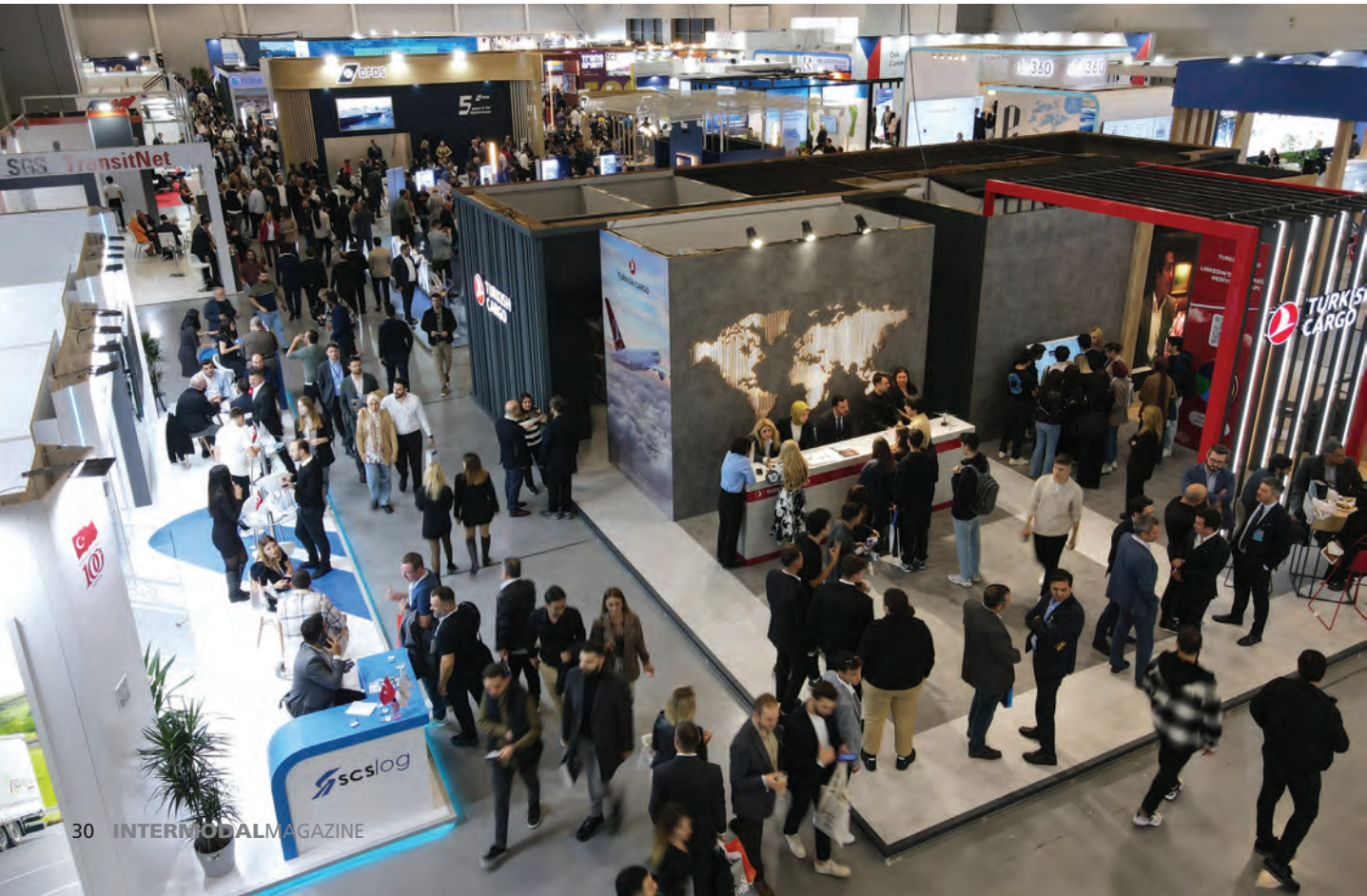
► Logitrans Fair continues to be a vital platform showcasing the latest innovations and developments in the logistics sector. Scheduled to be held in Istanbul from November 20-22, 2024, at the Yenikapı Avrasya Show and Art Center, the fair will bring together numerous domestic and international participants from the logistics and transportation sectors. The Logitrans Fair offers industry professionals opportunities to establish business connections, explore innovative solutions, and

logitrans
TÜRKİYE

international transport
logistics exhibition

evaluate collaboration prospects. The fair will highlight advancements in digitalization, sustainability, and technology. Participants will have the chance to learn about smart logistics solutions, blockchain applications,

and environmentally friendly transportation technologies. Additionally, various panels and seminars will be organized to discuss the latest trends and strategies in the sector. Despite the short time since the 2023 fair, Eko Fuarçılık Vice General Manager E. Seren Ünsaç reported that the indoor space for the upcoming fair is almost fully booked. "For the 2024 fair, our indoor space is completely booked. There are only a few stand areas left in the connected halls and



open spaces. The logitrans Fair, which will present innovative logistics solutions suitable for the highly dynamic nature of the region, is preparing to welcome visitors with visionary exhibitors and their groundbreaking showcases. Among the notable exhibitors are Arkas Lojistik, Galata Taşımacılık, Mitlog, Talay Logistics, Verimex360, Oregon, Transorient, Evolog, Soft, SGS, Turkish Cargo, TOBB UND, DFDS, Pasifik Eurasia, Ekol360, and Omsan Lojistik. From Austria, ÖBB Rail Cargo; from Spain, Port of Barcelona; from Luxembourg, Jost; from Bulgaria, Discordia; from Italy, Port of Trieste; and from Azerbaijan, ADY Express will participate individually, while we are in the contracting phase with pavilions from Germany, Czechia, China, Spain, Belarus, and Russia. This year, the pavilions will be the highlight of the fair. We are working intensively to ensure the sector's showcase is displayed in the best possible manner" she added.

Smart logistics solutions

At the fair, smart solutions that enhance logistics processes' efficiency will be showcased. These solutions leverage advanced technologies such as artificial intelligence, IoT (Internet of Things), and big data analytics to optimize logistics operations.

Blockchain applications

Blockchain technologies, which increase transparency and security in the logistics sector, will be a significant highlight of the fair. Participants will explore how blockchain can be used in supply chain processes and how this technology can enhance operational efficiency.



Sustainable transportation

Environmentally friendly transportation solutions will be a focal point of the fair. Sustainable innovations, such as electric vehicles, alternative fuels, and green logistics practices, will be presented to visitors. These solutions aim to reduce the carbon footprint and create a more eco-friendly logistics sector.

Panels and seminars

Throughout the fair, panels and seminars will provide valuable

*EKO Fair Deputy General Manager
Ekin Seren Ünsaç*



insights into the latest trends and strategies in the sector. Expert speakers and industry leaders will share their perspectives on topics such as digital transformation, sustainability, and supply chain management.

Networking opportunities

Various networking events will be organized to strengthen business connections among industry professionals. These events will offer participants opportunities to establish new business partnerships and reinforce existing relationships.

logitrans Fair:

A forward-looking event

The logitrans Fair remains an indispensable event for anyone looking to stay updated on innovations and developments in the logistics sector. It offers an ideal platform to discover the latest technologies, trends, and business opportunities in the industry. By attending the fair, you can learn about future-oriented strategies in the logistics sector, expand your business network, and take significant steps towards becoming a leader in the industry. ■

NEW CRITERIA TO BE INTRODUCED FOR LOGISTICS CENTERS

► It is of great importance to increase the effectiveness of the existing and new logistics centers in order to ensure achievement of the export goals set for Türkiye. Today there are 12 logistics centers put into operation by the Turkish State Railways. Moreover, there are 4 logistics center projects with ongoing construction works, 1 logistics center project with a completed project phase, 5 logistics center projects in survey and planning and 1 logistics center project in tendering phase. The Ministry of Transport and Infrastructure and Ministry of Trade prepared a draft Regulation on Logistics Centers in order to govern the principles and procedures to be implemented for location selection, project preparation, construction, authorization and operation of existing and new logistics centers to be established.

Minister of Transport and Infrastructure Abdulkadir Uraloğlu shared information about the "Draft Regulation on Logistics Centers" prepared by the Ministry of Transport and Infrastructure and Ministry of Trade. Stating that this draft Regulation governs the principles and procedures to be implemented for location selection, project preparation, construction, authorization and operation of existing and new logistics centers, Uraloğlu told that "The General Directorate of Transportation Services Regulation will determine the locations, capacities and similar features of the logistics centers under the Transportation and Logistics Master Plan prepared by the Ministry and will grant permits to them, coordinate the related institutions for ensuring necessary land allocation and establishment of infrastructures,

to follow up and supervise the implementation." Uraloğlu said that the necessary studies for planning and constructing the logistics centers will be carried out by the Logistics Coordination Executive Board and the Turkish State Railways is authorized to ensure the participation of the private sector into the logistics centers to be constructed by the Turkish State Railways and establishment of partnerships. Noting that the logistics center founders will be responsible for the preparation of the projects and terms of reference for logistics centers in line with the applicable legislation, obtaining necessary permits and following up the provisions and undertakings of the protocols to be issued, Uraloğlu further commented as follows: "Founders will be able to operate, lease or transfer the logistics centers. Logistics center

operators will be responsible for ensuring satisfaction of the provisions of the protocols and certificates of operation issued during the necessary license and operation period.”

Location selection for logistics centers

Uraloğlu told that a space has to serve for the internal and external trade strategies and policies of Türkiye in order to determine it as a logistics center.

Emphasizing that the center has to have a connection to minimum one of the transportation modes within maximum 30 kilometers in addition to its road connection, Uraloğlu made the following remarks: “Logistics centers will be established over an area of minimum 500 thousand excluding the expansion area. They will not be located on roads or railways with heavy traffic. The logistics centers to be established pursuant to the regulation we prepared will be minimum 50 kilometers away from the closest logistics center by road. The zoning plans of the centers should not include any areas such as archaeological sites, residential areas and agricultural estates.”

Uraloğlu told that the logistics centers will be operational 24/7 and the operations at the centers will be

LOGISTICS CENTERS



carried out in an affordable, safe, quality, free, fair and sustainable competition environment. Emphasizing that the logistics center operators are responsible for establishing and causing to be established infrastructure and superstructure facilities, protecting the buildings and facilities, monitoring the entries and exits in a controlled way and ensuring safety, Uraloğlu told that “Moreover, operators will be obliged to ensure keeping industrial, commercial and activity records and to carry out activities in the fields stated in their certificates of activity.”

License of establishment to be given by the logistics coordination

Uraloğlu told that the logistics centers which receive license of establishment will be announced by the Ministry of Transport and Infrastructure and the works and transactions regarding these announcements will be carried out by the Board secretariat. Providing information on the logistics centers performing the related

studies, Uraloğlu noted the following: “İzmit Köseköy, Eskişehir Hasanbey, Uşak, İstanbul Halkalı, Denizli Kalkık, Balıkesir Gökköy, Erzurum Palandöken, Kahramanmaraş Türkoğlu, Samsun Gelemen, Konya Kayacık, Mersin Yenice and Kars logistics centers are the centers which were put into operation in Türkiye. Moreover, the constructions of İzmir Kemalpaşa, Sivas, Kayseri Boğazköprü and Rize İyidere centers are ongoing. In addition, Bilecik Bozüyük Logistics Center project has been also completed. İzmir Çandarlı, İstanbul Yeşilbayır, Zonguldak Filyos, Mardin and Habur logistics centers are in surveying and planning phase while the tendering phase of Tekirdağ Çerkezköy Logistics Center is ongoing. We will utilize our geographical strategic advantages to the maximum extent with the new centers to be established. We will establish an integrated transportation infrastructure under the investment plan in every region of Türkiye and will strengthen it. This will accelerate the exports and will provide the logistics sector with additional transportation capacity.”





FOREIGN VEHICLES INCREASED THEIR SHARE AMONG TRIPS FOR EXPORT TRANSPORTS IN TÜRKIYE

► The dynamics of Türkiye in the international transportation sector and her relations with the foreign trade are undergoing changes. The boom in the road transaction sector also affected the number of transports. According to the figures compiled by UND Data Analyst Expert Cansu Kırık, the increased role of vehicles with foreign license plates in the Turkish transportation sector indicates a significant change in the general structure of the sector. The number of transports increased at a significant ratio of 9 percent as compared to the previous year in 2022 and no change occurred regarding the market share between the vehicles with foreign license plates and vehicles with Turkish license plates. In 2023, while the export transportations decreased by 2 percent, the share of vehicles

with foreign license plates increased by 3 percent. Foreign vehicles carried out 41 thousand more trips for export transports via Türkiye as compared to 2022. Excluding the transports to Iraq, Syria and the TRNC, the export transports increased by 4 thousand as compared to the previous year. However, the major development here is that the share of vehicles with foreign license plates increased to 39 percent. Having carried out 841 thousand and 583 trips in 2022, the Turkish vehicles lost 30 thousand trips in 2023. The number of trips by the vehicles with foreign license plates increased by around 35 thousand.

Turkish vehicles carried out 1 million and 422 thousand export trips

The Turkish international road

transporters carried out 1 million and 442 thousand trips out of 2 million and 26 thousand trips and got a share of 71 percent from total transports. The country to which the highest number of transports was carried out last year was Iraq with 463 thousand 308 trips. However, the transports to Iraq decreased by 16.3 percent as compared to the previous year. The transports to Syria increased from 165 thousand and 274 to 155 thousand and 174. The country to which the highest number of transports was carried out in Europe was again Germany. The transports to this country were at the same level as compared to the previous year. 256 thousand and 436 export trips were carried out to Germany in 2023. Among the transports to Europe, Romania was the second

Despite the slowdown in the global trade in 2023, the export transports decreased by 2 percent. However, the share of the vehicles with foreign license plates increased by 3 percent. Foreign vehicles carried out 41 thousand more trips for export transports via Türkiye as compared to 2022.

after Germany with 197 thousand and 852 transports and Bulgaria the third with 90 thousand and 725 transports.

Turkish vehicles lagged behind foreign vehicles in transports to the CIS and Central Asia countries

In 2023, 185 thousand and 741 of export transports to the CIS and Central Asia countries were carried out by vehicles with Turkish license plates and 195 thousand and 542 with vehicles with foreign license plates. A total of 381 thousand and 283 exports were carried out to these countries. While the share of Turkish vehicles was 49 percent, the share of foreign vehicles was 51 percent. As compared to the same period of the previous year, the share of Turkish vehicles in transports decreased by 4 percent. Moreover, the Turkish vehicles getting the highest market share until 2022 left their market superiority to foreign vehicles in 2023. The number of transports performed by foreign vehicles to Georgia, Ukraine and Belarus exceeded the number of transports performed by Turkish vehicles.

Number of empty vehicles decreased by 7 percent

The number of vehicles entering as empty to Türkiye decreased by 7 percent to 1 million and 238 thousand in 2023. The number and share of foreign vehicles entering

as empty to Türkiye increased by 3 percent. Interestingly, the number of foreign vehicles entering as empty to Türkiye continues to increase. They increased the number of transports they carry out from 274 thousand in 2021 to 312 thousand in 2022 and 320 thousand in 2023.

According to the distribution of the top 10 countries from which foreign vehicles enter into Türkiye as empty in the last three years, Georgia takes the first place. The number of empty entries from this country to Türkiye increased up to 57 thousand trips. Bulgaria took the second place with 40 thousand and 257 trips. It was followed by Romania, Serbia and Ukraine. The number of vehicles entering as empty from European countries to Türkiye decreased by 5 percent as compared to the previous year. The increase in the empty entries by our neighboring countries Bulgaria and Greece attracts attention. 313 thousand and 484 empty vehicles in total entered into Türkiye as empty in 2023. The number of vehicles entering as empty from the CIS and Central Asia countries to Türkiye increased by 11 percent as compared to the previous year. The number of empty vehicles entering from our neighbor Georgia is also remarkable. 244 thousand and 290 empty vehicles in total entered into Türkiye as empty in 2023. The number of vehicles entering as empty from the Middle East countries to Türkiye increased by 19 percent as compared to the previous year.

Import transports increased by 9 percent

The trend of increase in import transports continued. While the number of transports increased by 18 percent as compared to the previous year, it also increased by 9 percent in 2023. The increased number of transports in the last year was 225 thousand and 181 and 994 thousand and 391 import transports were carried out. While the share of Turkish vehicles in the import transports to Türkiye increased by 7 percent, the share of foreign vehicles increased by 16 percent, with an increase of 10 percent in grand total. The share of Turkish vehicles in import transportations decreased by 1 percent to 68 percent. Examining the import transports made by foreign vehicles during the period from January to December 2023, Iran with a share of 24 percent, Bulgaria with a share of 13 percent and Ukraine with a share of 9 percent took the first places. The country to which the highest number of import transports was carried out last year was Iraq with 124 thousand and 724 trips. Germany was the top country the previous year. This year, Germany took the second place with 123 thousand and 884 trips and Iran the third place with 113 thousand and 689 trips. The vehicles of 16 countries carried out more export transportations than the Turkish vehicles in 2023. These countries include important export countries such as Ukraine, Serbia, Bulgaria, Iran and Hungary. ■



319 BILLION TURKISH LIRAS TO BE INVESTED IN TRANSPORTATION AND COMMUNICATION

► An allowance of around 319 billion Turkish liras was allocated from the central management budget to the transportation and communication sector investments this year. While the railways received the highest share with 150.3 billion Turkish liras, the allowance amount allocated for the road investments was 125.3 billion Turkish liras, for domestic transportation 169 billion Turkish liras and for airlines 12.6 billion US liras.

According to 2024 Investment Program, the transportation and communication sector investments received the highest share from the allowance under the program with a share of 31.7 percent. Taking into consideration the distribution of the investments in the sector, a total of 733 projects including 543 road projects, 57 urban transportation projects, 45 airline, 52 railway, 36 maritime, 20 communication and 20 highway projects. Railways

took the first place with an investment allowance of 150 billion and 282 million and 76 thousand Turkish liras among the list of sector investments of 318 billion and 965 million and 500 thousand Turkish liras.

For the railway transportation, 60 billion and 846 million and 122 thousand Turkish liras were allocated to the General Directorate of Turkish State Railways, 69 billion and 694 million and 125 thousand Turkish liras to the other railway projects to be carried out by the Ministry of Transport and Infrastructure and 19 billion and 741 million and 829 thousand Turkish liras to the General Directorate of Turkish State Railways. An allowance of 125 billion and 302 million and 232 thousand Turkish liras is planned for the road investments. Within this scope, 124 billion and 188 million and 332 thousand Turkish liras was allocated to the General Directorate of Roads and 1 billion and

113 million and 900 bin Turkish liras to the Ministry and General Directorate of Security Affairs. The amount of the allowance allocated to the highway investments is 7 billion and 646 million Turkish liras.

The investment amount for urban transportation was determined as 16 billion and 947 million and 464 thousand Turkish liras for the current year. This amount was allocated to the Ministry of Transportation and Infrastructure in full.

An investment allowance of 12 billion and 632 million was allocated for the airline transportation. Within this scope, 10 billion Turkish liras was allocated to the General Directorate of State Airports Operations and around 2 billion Turkish liras to the Ministry of Transportation and Infrastructure. Moreover, an investment amount of 600 million Turkish liras was determined for the General Directorate



of Meteorology and of 40 million Turkish liras for the General Directorate of Civil Aviation.

3 billion and 193 million Turkish Liras out of 4 billion and 357 million and 448 thousand Turkish liras allocated for the maritime transportation was allocated to the Ministry. Around 788 million Turkish liras of this allowance will be used by the General Directorate of Coastal Safety and 288 million Turkish liras by the Turkish State Railways and 88 million Turkish liras by the General Directorate of Turkish Maritime Operators.

Out of the allowance of 1 million and 709 million Turkish liras planned for the communication, 235 million Turkish liras was allocated to the Ministry, 1 billion and 400 million Turkish liras to General Directorate of Turkish Radio and Television Cooperation and 145 million Turkish liras to the Department of Communication.

An allowance of around 319 billion Turkish liras was allocated from the central management budget to the transportation and communication sector investments this year. Railways received the biggest share of this allowance with 150.3 billion Turkish liras, among the sector investments.

Major transportation projects

Among the investments by the Ministry of Transportation and Infrastructure, an allowance of 1 billion and 962 million Turkish liras was planned for the national electric train set and of 798 million and 600 thousand Turkish liras for the procurement of 95 main line electric locomotives.

13 billion and 45 million Turkish liras was allocated for Bandırma-Bursa-Yenişehir-Osmaneli High Speed Train Project, 4 billion and 319 million Turkish liras for the warehouse, additional line and high speed train line for İstanbul High Speed Train Line and 1.9 billion Turkish liras for Vezirhan-Köseköy High Speed Train Line.

An investment of 21 billion and 400 million Turkish liras was planned under the Investment Program for Ankara-Polatlı-Afyonkarahisar-Uşak-Manisa-İzmir High Speed Line infrastructure.

Around 12 billion and 883 million Turkish liras will be provided to Mersin-

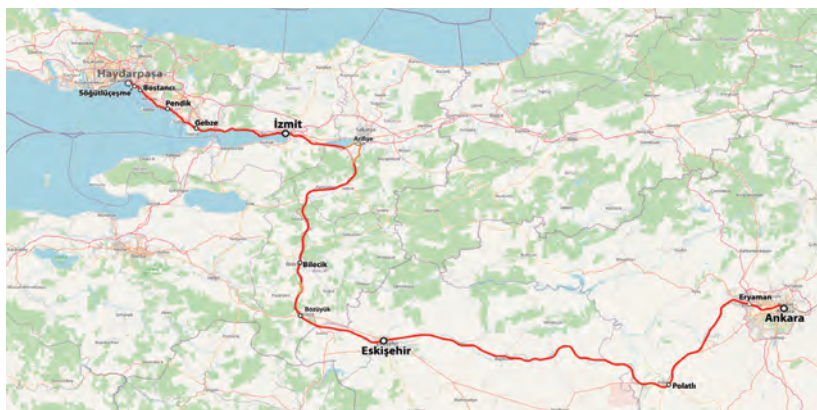
Adana-Osmaniye-Gaziantep High Standard Railway Project which will have an important share in the goods and passenger transportation on the southern axis.

11 billion and 74 million Turkish Liras was allocated to Yerköy-Kayseri High Standard Railway Project.

Investment allowance was added to the budget for the prevention of accidents and ensuring traffic safety on roads. Within this scope, an allowance of 7 billion and 580 million US dollars will be spent for works such as concrete and steel guard rails, signage and signalization.

An allowance of 900 million Turkish liras was allocated for the improvements of the road accident points. Within the scope of these improvements, focus will be on junction arrangements.

An allowance of 1 billion Turkish liras was allocated for the establishment of smart communication systems and signalization works for the same. ■



PROCUREMENT NEEDS A NEW SUPPLY CHAIN PARTNER ECOSYSTEM

The supplychainmachine.com 5th Tender Management Conference, focusing on “Procurement of Geostrategic Proximate Transport, International Transport and Logistics in the Conflicting Spheres of Capacity, Availability, Profitability and ‘Old School Excel Tender Management’”, was held on February 26, 2024 at the iconic Tüpraş Beşiktaş Istanbul Stadium.

► Transportation, logistics and supply chain services are experiencing a major increase internationally. Prof. Dr. Stefan Iskan from the Ludwigshafen University of Applied Sciences assessed the current supply chain and market situation

at a conference held at Tüpraş Beşiktaş Stadium on February 26, 2024. Prof. İskan stated that there are cost reduction measures in Germany and Central Europe, supply chain restructuring in Eurasia and nearshoring boom in the

Mediterranean region. Andreas Thuy and Enrico Schlick from Schaeffler introduced the new software solution “Transportation Data Cube” for transportation management. Birol Şen from Şişecam supported Prof. İskan’s thoughts on





production in Turkey. He highlighted the similar challenges in Central Europe and Turkey in investment decisions. Turhan Özen from Turkish Cargo also highlighted Turkey's logistics advantages and emphasized that Western and Central Europe are more bureaucratic than Turkey.

Tender Management in Turkey

Prof. Dr. Stefan Iskan's "Tender Management Conference" series, initially held in Stuttgart, Germany, made its debut in Turkey at the Tüpraş Beşiktaş İstanbul stadium. The event, marking its 5th edition, welcomed 100 international attendees from various industries including automotive, glass, food, and logistics. Sponsored by DFDS, Sarp Intermodal, Greenlog, Mitlog, Verimex, and Galata, the conference featured 21 international speakers and 10 co-creation partners. The focus was on rethinking the

SUPPLYCHAINMACHINE

supply chain purchasing ecosystem and showcasing new intermodal transportation solutions and software-based concepts to enhance competitiveness in tenders.

Host Aysberg

The 5th Tender Management Conference 2024, moderated by Prof. Dr. Stefan Iskan and hosted by Aysberg Press and Publication Ltd. Şti., featured high-profile international speakers from companies such as Mercedes-Benz Türk, Şişecam, Schaeffler, and Maersk. Key discussions included AI applications in logistics procurement, software-based tender management, ESG, and Supply Chain Due Diligence Laws pertinent to the European and Turkish markets. Dr. Döne Yalçın highlighted the EU Supply Chain

Law's relevance to Turkish businesses. Sencer Solakoğlu spoke on the Green Deal's impact on agriculture in Turkey, emphasizing technology's role in zero-carbon farming. Dr. Çağla Gül Şenkardeş discussed AI's disruptive potential, illustrating its real-time applications.

Two panels held

The 5th Tender Management Conference 2024 included two panels focusing on AI applications, software-based tender management, nearshoring, and intermodal transportation solutions. Key panelists were Ralf-Charley Schultze from UIRR, Murat Kavrar from DHL Freight, and Fuat Pamukçu from DFDS Mediterranean. They discussed the geo-strategic importance of the Black Sea Region and the





intensification of RO-RO connections to nearshoring markets. Murat Kavrar highlighted the growing commercial routes between Romania and Turkey, while Turhan Özen and Prof. Dr. Stefan Iskan emphasized the Turkey-Africa-South East Asia airfreight network's significance. Manuel Friedlein from Brose discussed smarter transportation bidding using Easy4Pro software, and Joachim Hermanns from Maersk along with Patrick Gueth from DP World addressed the impact of the Red Sea supply chain crisis, predicting manageable production volumes in 2024.

Main Topic Tender Management

At the Tender Management Conference, Joachim Hermanns from Maersk discussed their approach to calculating European transportation tenders, emphasizing the use of AI-powered software and Excel-based

methods for efficiency. Patrick Gueth from DP World emphasized the need for streamlined and standardized requests for quotations, stressing the importance of transparency in the Turkish market. Jürgen Mast highlighted the legal risks for logistics service providers attempting to mimic Tier-1 manufacturers in the OEM value chain. Volker Staab from Northvolt cautioned against solely considering labor costs when reallocating industrial production sites, emphasizing the importance of accounting for one-off costs. Overall, international executives advised thorough stress tests and backup options before implementing any business projects.

Relaxation with stadium tour

Attendees of the conference not only engaged in international networking but also enjoyed an exclusive tour of the stadium, including a seat in

the Beşiktaş coach-staff-bench on the soccer pitch. Dr. Stefan Iskan's inclusive moderating style encouraged a hierarchy-free networking environment, keeping the event interactive and engaging despite its serious business focus. Mehmet Yiğit Altıparmak, Managing Director of Sarp Intermodal, showcased entrepreneurial excellence by discussing TAL Trailer's in-house trailer and swap body production, highlighting the company's independence from third parties amid strategic supplier constraints and material bottlenecks, as noted by Dr. Stefan Iskan.

Combined transport for climate action

LKW WALTER, a leader in intermodal corridor solutions with over 15,000 trailers in the pan-European FTL business, showcased its excellence in the international transport market at the conference.





Sales Director Erich Bergmann presented the company's new eCMR offer for the European and Turkish market, highlighting the growing importance of alternative powertrain requirements in international road transport tenders. Rüşan Pehlivan from MAHLE shared a Total Cost of Ownership analysis for future powertrain technologies in heavy-duty applications, emphasizing the increasing adoption of BEV and FCEV trucks by 2035. Ralf-Charly Schultze, President of UIRR,

emphasized the need for combined transport to achieve ambitious climate targets set by the European Commission, including carbon neutrality by 2025 and a 55% reduction in CO2 emissions by 2030. Schultze highlighted the challenge of tripling combined transport by 2050, underscoring the importance of addressing infrastructure limitations in the pan-European rail network.

Availability and assurance

The article discusses the evolving priorities in logistics procurement, shifting from a focus solely on price-performance ratios to also prioritizing availability and capacity assurance for production networks. The pandemic has brought about a turnaround in the transportation and logistics market, with logistics service providers gaining leverage. Dr. Stefan Iskan highlights how suppliers are increasingly avoiding

logistics buyers, leading to frustration among buyers. Fabian Bodenbender of Transporeon emphasizes the need for a new partner ecosystem and a departure from traditional "Excel games." Turhan Özen and Seren Ünsaç reflect positively on the conference, noting its productivity and valuable contributions from the international community. AYSBERG Basın ve Yayın Ltd. Şti. expresses plans to continue the Tender Management Conference event series in February 2025 in Istanbul. Additionally, the supplychainmachine.com Tender Management Conference series will return for its 6th iteration in September/October 2024 at the MHP Arena Stuttgart. Overall, the conference series offers in-depth presentations on transportation and logistics procurement, catering to the needs of industry professionals in Germany and Turkey. ■



THE NEW CORRIDORS OF GLOBAL TRADE- RECENT CRISES HAVE SHIFTED GLOBAL TRADE ROUTES

An article written by IRU TIR and Transit Director Tatiana Rey-Bellet analyzes the question of how the flow of goods along the emerging corridors can be facilitated.

- ▶ Geopolitical developments over the past few years have redefined trade routes, with freight flows through traditional routes, such as the northern Eurasian corridors, having fallen significantly since the start of the war in Ukraine. Now more recently, east-west trade has been hit by the Red Sea crisis, requiring transport companies to once again look for alternative routes.

New routes have emerged. But they need our support

IRU's Director of TIR and Transit,

IRU TIR and Transit Director
Tatiana Rey-Bellet



Tatiana Rey-Bellet, breaks down the recent developments, challenges and solutions.

The middle and southern corridors

Connecting China and Central Asia via the Caspian Sea or Iran to Türkiye and Europe, both the Middle Corridor and Southern Corridor have become critical trade routes, reshaping the global dynamics of transport and trade. They allow for door-to-door road transport and the efficient combination of different modes.

DRIVERS AND CARGO AT RISK: EU NEEDS MORE SAFE AND SECURE TRUCK PARKING

► Employers, trade unions and parking operators are urging the European Commission to maintain a focused approach to certifying, upgrading, building, and funding safe and secure truck parking areas in the EU over the next three years.

In a joint letter addressed to EU Transport Commissioner Adina Valean, the European Transport Workers' Federation (ETF), the International Road transport Union (IRU) and the European Secure Parking Organisation (ESPOG) have invited the European Commission to continue its efforts co-funding safe and secure truck parking areas (SSTPAs) in Europe for the period 2025-2027.

Establishing a safe and secure parking network is a strategic response to addressing driver shortages in the EU by making the profession more appealing and viable for current and potential drivers. Safe and secure parking is essential to enhancing drivers' well-being and ensuring that they have the support and infrastructure necessary to thrive professionally.

The three organisations advocate for

further modernising and developing new, more sustainable and connected SSTPAs, which will contribute to the foundation of a genuine European network.

IRU EU Advocacy Director Raluca Marian said, "While we are encouraged by the recent allocation of EU funding for safe and secure truck parking areas, there is a significant opportunity to expand this network across the EU.

"Road transport is the backbone of EU industries. Attracting and retaining skilled drivers is vital for the sustainability and efficiency of the sector. Ensuring minimum safety and sanitation standards in parking areas is crucial for protecting the health and well-being of professional drivers, thereby improving their working conditions and making the profession more attractive."

"We urge Member States, regional and local authorities to prioritise our drivers' working conditions, as well as cargo safety and security. We are optimistic that the next EU Transport Commissioner will continue to build on Commissioner Valean's strong support and further enhance our efforts to improve these

essential facilities," she added.

ESPOG General Manager Drik Penasse said, "We call on the European Commission to continue its co-funding efforts for SSTPAs as well as to develop a medium- and longer-term vision in partnership with key industry stakeholders."

"These efforts should be coupled with the adaptation of the eligibility rules, including promotional and training programmes, to allow all stakeholders, particularly smaller investors, parking areas and interested road transport companies, to benefit from EU funding," he added.

ETF Head of Land Transport Cristina Tilling said, "Safe and secure parking areas are extremely important for drivers' well-being. Drivers need adequate rest and facilities for effective recovery, especially given the prevalent issue of driver fatigue, which poses a significant risk to road safety."

"The European Commission's commitment to a long-term political vision of high-standard SSTPAs will greatly contribute to improving working conditions and ensuring better safety standards," she added. ■

In 2022, the Middle Corridor saw record growth in transit volumes, increasing by 150% compared to 2021. In just one month, from December 2022 to January 2023, the container turnover in the Caspian Basin underwent a 5.5-fold increase. From January to August 2023, freight volumes from China to Europe along the Middle Corridor increased by 84% compared to the same period in 2022, surpassing 1.6 million tonnes. The Southern Corridor is similarly well placed to facilitate the flow of goods and east-west trade. On average, transport operations by Turkish

operators from Türkiye to Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan increased by 44% from 2020 to 2023. In the case of foreign operators, it rose by 86%.

Transport from Lianyungang, China, to Türkiye or EU countries via these corridors takes between 13 and 23 days. In contrast, the maritime route via the Suez Canal takes between 35 and 45 days.

Red Sea crisis

The Red Sea crisis has now further accentuated global trade and

transport challenges. As widely covered in the media, cargo ships are being rerouted around the southern tip of Africa to avoid the Red Sea.

Other companies are opting for more direct road routes. Using the UN TIR system, transport companies are rerouting their shipments via countries in the Gulf Cooperation Council (GCC) region, bypassing the blocked maritime leg by switching to trucks to go through the GCC region and the northern part of the Red Sea. The



Umberto de Pretto, Secretary General of the International Road Transport Union (IRU)

IRU ADDRESSES UN GENERAL ASSEMBLY ON SUSTAINABLE TRANSPORT

supplied with the essentials of life. It brings us to our workplace and connects us with our loved ones. It is essential to the lives and livelihoods of all eight billion people that we share this planet with.

“All modes of transport must work together to get people and goods to their destinations. They must all become greener and proactively support social inclusion, especially for the poorest communities in our world.

“Greening transport is a marathon, not a sprint. We cannot wait for 2050 and then press a ‘magic button’. We need to pursue a mix of different policies in parallel - right now.

“Pragmatic efficiency measures - like longer vehicles, better route optimisation and driver training - may be less exciting than new fuel technologies, but if we are more efficient, we are greener. With the right enabling environment, legislation and incentives, we can already reduce our carbon footprint by 50%.”

The IRU Green Compact, a collective global roadmap to achieve carbon neutrality in commercial road transport by 2050, has found that

pragmatic efficiency measures are key to decarbonisation efforts, as important as alternative fuels over the short and long term.

Umberto de Pretto also emphasised the crucial role of tried-and-test UN trade tools in improving not only the efficiency of transit and transport but also its sustainability.

“How can trucks inching forward at borders for hours, days and even weeks - while emitting carbon emissions - be sustainable? We have tools such as the UN TIR

► During the UN’s first annual Sustainability Week, IRU’s Secretary General outlined key actions to continue advancing the sustainability of road transport and its role in global development.

How do we leverage the social inclusivity and sustainability of road transport to achieve the UN 2030 Agenda for Sustainable Development? That’s the question IRU Secretary General Umberto de Pretto tackled at the UN General Assembly this week in New York. “Transport keeps us fed, healthy and

seaports of Sohar and Salalah (Oman) and Jeddah and Dammam (Saudi Arabia) have acted as the main ports of arrival where goods are then transhipped and transported via trucks across the region before continuing their journeys by sea.

But there are many other routes available to transport companies. Just last year, the Milton Group

transported goods from Europe to the Middle East with TIR - crossing 13 countries - in just nine days, rather than taking 40 days by sea.

The goods departed from Latvia and transited Lithuania, Poland, the Czech Republic, Slovakia, Hungary, Romania, Bulgaria, Türkiye, Iran via the Bandar Abbas port and then to the United Arab Emirates using a Ro-Ro vessel and finally the Kingdom of

Saudi Arabia, before arriving at their destination in Kuwait.

Across Asia, new TIR routes have opened in recent years. Since 2021, IRU and its partners have opened several corridors under TIR, including Islamabad-Tehran-Istanbul, Pakistan-Afghanistan-Uzbekistan-Kazakhstan, and China-Pakistan-Afghanistan. All three cut transport times by up to 80%, on average, compared to



Convention that has worked for over seven decades. Real live transport operations show that streamlining border crossings using the TIR system reduces the carbon emissions of a cross-border journey by up to 30%," highlighted Umberto de Pretto. "We need to maximise the power of the instruments at our disposal. Any country not part of the TIR system must accelerate its accession and implementation. Governments don't need to reinvent the wheel. Just rather look at what has been working for decades," he added. What else needs to be done? Looking forward to the UN Decade

of Sustainable Transport, Umberto de Pretto detailed three specific suggestions: Firstly, the UN Department of Economic and Social Affairs Expert Group Meeting on Sustainable Transport, which consists of representative stakeholders, should become an annual event to share experiences, best practices, successes and failures for the Decade of Action for Sustainable Transport. Secondly, the number of ratified and implemented UN Conventions, such as TIR, CMR and ADR, should be used as key indicators to monitor progress. Thirdly, there is no one-size-fits-all

solution. Public-private cooperation is required to implement pragmatic regional and local pathways to carbon neutrality. The IRU Green Compact is based on regional flexibility in terms of evidence gathering, testing and scaling up of solutions. Umberto de Pretto concluded, "IRU looks forward to playing an active role in the UN Decade of Sustainable Transport. We, together with governments, need to pursue all measures available to ensure that decarbonisation does not compromise the key role of transport in economic and social development." ■



traditional routes. Alternative routes and intermodality are necessary to ensure that regional and global trade routes can maintain their efficiency amid ongoing crises and geopolitical shocks.

Solutions

Investments in both hard infrastructure and soft procedures, services and tools are needed to

keep up with increasing traffic at congested border crossings. But to maximise the potential of the Middle Corridor and Southern Corridor and build resilience, our strategic focus must shift towards soft trade and transit solutions.

Tried-and-tested tools, such as the TIR system, can significantly streamline trade flows and unblock congested border crossings. Harmonised

instruments, including TIR, can ensure the security and transparency of transit movements, handle low-risk cargo faster, and reduce business costs.

Risk-based facilitation allows customs authorities to separate traffic flows and handle low-risk cargo faster. Central Asian countries, which are at the heart of east-west connectivity, are establishing dedicated TIR

TRUCK DRIVER SHORTAGE AND DEMOGRAPHICS IN AN ENVIRONMENT WHERE DRIVER SHORTAGES ARE INCREASING

► IRU's 2023 driver shortage report has found that over three million truck driver jobs are unfilled, or 7% of total positions, in 36 countries studied. With the huge gap between young and old drivers growing, it will get much worse over the next five years without significant action. Surveying over 4,700 trucking companies in the Americas, Asia and Europe, representing 72% of global GDP, IRU has found that truck driver shortages increased globally in 2023. Two exceptions were Europe and the United States where shortages eased slightly in 2023 due to softer transport demand as a result of inflation and tighter monetary policy limiting consumption and investment. Additionally IRU's latest driver shortage report found that the share of drivers under 25 continues to remain low at 12% or less. China (17%) and Uzbekistan (25%) are the only countries with a higher share of drivers under 25. In many regions, one of the reasons for the low share of young truck drivers is an ageing population (less than 13% of the workforce are below 25 years old in all regions, except in

Mexico, Uzbekistan and China). Nevertheless, the share of young truck drivers is below the active population benchmark in all regions, except in China and Uzbekistan, meaning that the profession is attracting fewer young people

compared to other sectors. Most regions have a high share of drivers who are 55 or older. In many cases, it is higher than the overall transport and active population benchmarks, and much higher than the share of young truck drivers,



lanes for secure transport for which customs receive advance information for risk management via the TIR-EPD system.

With the record growth of trade volumes along the new corridors, it is becoming increasingly urgent to digitalise international transit to further improve trade security and efficiency.

Many TIR processes have already

been successfully digitalised, bringing substantial benefits to the public and private sectors, and enhancing transit security and facilitation.

All roads lead to eTIR

Further to all the steps taken to digitalise TIR processes, the ultimate goal is a widespread implementation of eTIR in the coming years.

All necessary TIR digitalisation

business-to-business and business-to-customs exchanges have been implemented, TIR countries now need to complete the last remaining piece of connectivity: interconnection with the eTIR international system hosted by the United Nations Economic Commission for Europe (UNECE)

eTIR will not only further boost TIR's benefits by eliminating time-

meaning that the shortage will increase in the near future as the pool of young drivers will be unable to replace those retiring.

Europe has the highest average driver age (47). A third of its driver population is above 55 years old, while only 21% of its overall active population are over that age. Moreover, the share of its young drivers is very low (only 5% of drivers are below 25).

Argentina, China and Mexico have a much lower share of drivers above 55 (16%, 14% and 13%, respectively), which is aligned with their overall active population.

There are also encouraging signs in some countries where the share of young drivers has improved, such as in the United States (8.1% in 2022 versus 6% in 2020).

The share of women truck drivers is

also well below the overall transport industry employment rate for women. Less than 6% of truck drivers are women in all regions studied.

At 8%, the United States is the only country with a higher share of women drivers.

Why is this the case? Why are there so few women and young truck drivers? How can we get more of them behind the wheel? ■



consuming paper-based processes. It will also make it much easier to bring TIR benefits to the service of intermodal transport, opening new opportunities for the efficient combination of different transport modes.

IRU and UNECE are working together to expedite the implementation of eTIR, which should be complemented by e-CMR, e-Visas and e-Permits.

They all offer significant benefits and the ability to optimise transport operations.

For efficient digitalisation, it is important to avoid the duplication of data and the mechanisms through which the data is shared among the different authorities and entities representing various modes of transport. The transition to digital documents is an opportunity to

optimise and minimise the exchange of data for everyone.

Global trade routes have been rocked by significant crises in recent years. The emerging new routes should be quickly backed by harmonised development tools and digitalisation to avoid any further setbacks to global trade.

This article was first published by UNCTAD. ■

AIR CARGO PERFORMANCE OUTPACES MACRO INDICATORS BY DOUBLE DIGIT GROWTH

- Air Cargo Market Analysis February 2024 issued by IATA showed Air cargo growth continued to outpace macro indicators. Here are outlines of the growth;
- Industry-wide air cargo demand continued the momentum from previous months in February and registered the third consecutive month of double-digit year-on-year (YoY) growth in cargo tonne-kilometers (CTKs) with 11.9%.
 - International CTKs expanded by 12.4% YoY globally, supported by all regions. The annual growth was championed by carriers from Africa and the Middle East.
 - Industry-wide air cargo capacity, measured by available cargo tonne-kilometers (ACTK), increased by 13.4% YoY, largely due to the continued expansion of international passenger belly-hold capacity.
 - The YoY expansion in traffic

continued to outpace YoY growth in trade and production figures.

- Industry-wide air cargo yields declined by 1.5% compared to January, despite an average uptick in the jet fuel price and still with no discernible upward pressure from the Red Sea Shipping Crisis.

February brought the third consecutive month of double-digit YoY growth in air cargo demand

The air cargo industry registered a total of 19.7 billion CTKs in February, which represents an increase of 11.9% YoY. This marks the third consecutive month of double-digit YoY growth after accounting

for a seasonally reduced activity in Asia Pacific after the Lunar New Year mid-month. Notably, February 2024 was a leap year with one extra day compared to February 2023, which slightly exaggerates annual growth rates to the positive.

Seasonally adjusted (SA) CTKs experienced a small decline of -1.0% month-on-month (MoM) in February



but grew by 10.9% compared to the same month in 2023. The growing air cargo demand is a reflection of buoyant international traffic which benefits from booming e-commerce and possibly, though to a lesser extent, a recently increased interest in sea-air services because of the ongoing capacity constraints in maritime shipping, among other factors. Overall, air cargo demand appears set to continue the upward trend in SA CTks that started early last year.

In year-to-date (YTD) terms, up to the month of February cumulative industry CTks registered a total of 40.5 billion, up an impressive 15.0% from the 2023 value and only 0.3% below the heights experienced in early 2022. With the falling monthly levels throughout most of 2022, it would be reasonable to expect the red bars in the chart to soon surpass the green ones as well.

Positive annual growth in international air cargo traffic across the board, led by African and Middle Eastern carriers and expanding on European route areas

The solid 11.9% YoY growth in industry CTks can be attributed to demand on international routes, which expanded by 12.4% YoY in February. And while the only two regions that experienced MoM expansions in February were Africa and Latin America, with 2.9% and 1.6%, respectively, the strong annual growth in the same month was supported by carriers from all regions of the world.

In particular, airlines registered in Africa and the Middle East recorded the highest annual growth rates, with 21.9% and 20.9%, in that order. They were followed by carriers from Europe (15.0% YoY), Latin

America (13.4%), and Asia Pacific (11.2%). Importantly, carriers from the Asia Pacific region experienced the strongest MoM contraction in CTks last month, likely related to slowing activity after the Lunar New Year celebrations. The lowest annual growth in February was seen by North American airlines with 3.2% YoY, down from 14.1% in January. As was the case in January, the strong 12.4% YoY growth in international CTks in February was also supported by all route areas, but with slightly altered regional trends. The Africa–Asia and Middle East–Europe trade lanes experienced 42.3% and 39.3% YoY growth, respectively. While these are outstanding annual growth rates, they came down from the peak values experienced in January. The Within Europe market followed after jumping to 24.5% YoY growth, the highest figure in almost three years. This February result was particularly impressive given that this market had been the last one (among major markets) to successfully recover to positive annual growth rates in 2023. Growth rates on the Middle East–Asia and Europe–Asia routes dropped considerably to 21.0% and 14.3%, respectively. By contrast, the North America–Europe trade lane grew by 5.2% YoY in February, up from 1.9% seen in January. Within Asia and in the Asia–North America market, demand fell to 4.1% and 3.9% YoY, in that order. Both figures represent substantial drops compared to the previous month. Overall, February brought renewed growth to European route areas. More precisely, the markets Within Europe and North America–Europe were the only two route areas that experienced an improvement in their annual growth rate in February compared to the previous month. Notably, the Middle East–Europe

route also expanded MoM but closed with a slightly lower annual growth rate due to a pronounced base effect.

Air cargo capacity expansion trend carried over to 2024, supported by returning passenger aircraft

Similar to the evolution on the demand side, air cargo capacity also continued on its downward path from the December high, with ACTks falling to 43.8 billion last month. Importantly, the figures remained 13.4% above 2023 levels and 20.6% above the 2022 benchmark. As such, the beginning of 2024 marks continued double-digit annual growth in ACTks. In seasonally adjusted terms, industry-wide capacity increased by a marginal 0.01% MoM in February (and +10.5% YoY).

The vast majority of the annual growth in industry ACTks continues to come from the strong return in international passenger belly-hold capacity, which registered an outstanding 29.5% annual increase in February. By comparison, international cargo capacity for dedicated freighters rose by 3.2% YoY.

Air cargo demand growth continued to outpace the evolutions in goods trade and industrial production

January data for industrial production, a measure of the output generated by industrial sectors such as mining, manufacturing, and utilities, showed a 1.6% MoM drop from its year-end peak. Importantly, the levels achieved for the production statistics in January were virtually identical to the reading from the same month in 2023, mirroring the relatively stable evolution of this indicator over the past two years. By

contrast, global cross-border trade recorded a 0.9% MoM uptick in January (+0.4% YoY), landing on the highest level in 10 months. However, trade levels continued to fall short of the post-pandemic heights achieved in 2022.

Overall, the relatively stable evolution of both merchandise trade and industrial production figures post-pandemic contrasts sharply with the momentum maintained over the past year by the global demand for air cargo, possibly supported by changing supply chains for e-commerce.

Manufacturing output saw the second expansion in a row, while pessimism persisted for new export orders

The Purchasing Managers' Index (PMI) gauges economic trends in manufacturing and services. A PMI above 50 suggests that more purchasing managers expect their business to grow compared to the previous month, while a figure below 50 indicates fewer managers

with that outlook. Specifically, the manufacturing output and new export order PMIs are two leading indicators of global air cargo demand. February continued to signal a slight contraction for new export orders, an indicator that measures the perceived well-being of international trade. In particular, the indicator stood at 49.4 (up from 48.8 in January).

The contracting new export orders are in line with the global shift towards a more inward-looking economic environment coupled with tight financial conditions, as well as potential concerns regarding the Red Sea Shipping Crisis. It is notable, however, that purchasing managers' expectations regarding new export orders have been inching closer to the crucial 50-point benchmark over the past months. In terms of the regional outlook, the US and PR China recently started registering some optimism, while expectations in Europe and Japan continued to indicate contraction.

The global manufacturing output PMI rose to 51.2 points in February,

the second consecutive expansion in nine months. This is an encouraging signal and marks a positive outlook in the face of tight labor markets and supply chain disruptions that have been affecting the global manufacturing sector. The regional outlook for manufacturing output PMIs mirrors the one for the new export orders PMI. More precisely, the global expansion reflects positive overall expectations in the US and China, which are contrasted by continued pessimistic expectations in Europe and Japan.

The strong annual growth in industry CTKs over the past months contrasts with both the weakly contracting expectations for new export orders as well as the newly expanding manufacturing output PMI. In a nutshell, the industry is experiencing rapidly rising demand amid relatively soft demand drivers.

Amid fears of a looming economic slowdown in the region, February brought back positive YoY growth in China's consumer prices

Inflation as measured by the



Consumer Price Index (CPI) continued to ease in February in the EU, with a reading of 2.8% YoY. At the same time, US consumer price inflation stayed roughly the same at 3.2% YoY (+0.06 ppt) and Japanese inflation increased by 0.6 ppt to 2.8% YoY. On the other hand, China reversed its previous negative inflation trend, which had persisted for a total of four consecutive months, with a reading of 0.7% YoY last month. This constitutes a sizeable increase from the -0.8% seen in January, which was the lowest inflation reading since the Global Financial Crisis in 2009. While this improvement in annual CPI growth can partially be attributed to a base effect, it also reflects a strong MoM increase in consumer prices. These figures represent a welcome development amid the ongoing fears of a looming economic slowdown in China. Contrary to the CPI, the Producer Price Index (PPI) tracks changes in the prices that producers receive for their products. It can serve as a leading indicator for the CPI. In February, producer prices exhibited somewhat similar regional trends as the consumer side (Chart 8). In particular, the US and Japan also registered an increase compared to the previous month, with the YoY growth in producer prices climbing to 1.6% and 0.6% YoY, respectively. The annual growth in China's PPI also rose compared to January but remained within negative territory at -1.3%, which adds some perspective to the positive developments observed on the consumer side. Both January and February readings of producer prices for the EU 27 countries are yet to be released. Meanwhile, the month of December maintained the major deflationary trend that began in May 2023, with a PPI reading of

STRONG DEMAND FOR SECOND QUARTER

The International Air Transport Association (IATA) released data for April 2024 global air cargo markets showing strong annual growth in demand into the second quarter (Q2).

Total demand, measured in cargo tonne-kilometers (CTKs*), rose by 11.1% compared to April 2023 levels (11.6% for international operations). This is the fifth consecutive month of double-digit year-on-year growth. Capacity, measured in available cargo tonne-kilometers (ACTKs), increased by 7.1%

compared to April 2023 (10.2% for international operations).

"Air cargo demand started Q2 with a solid 11.1% increase. While many economic uncertainties remain, it appears that the roots of air cargo's strong performance are deepening. In recent months, air cargo demand grew even when the Purchasing Managers Index (PMI) was indicating the potential for contraction. With the PMI now indicating growth, the prospects for continued strong demand are even more robust," said Willie Walsh, IATA's Director General.

-10.0%. This latest reading reflects lower pressures from input costs such as energy as well as important base effects.

Air cargo yields are closely connected to the developments surrounding cargo load factors, which dropped by a further 0.6 ppt in February to settle at 45.1%, likely influenced by slowing activity in the Asia Pacific region after the Lunar New Year. Specifically, global air cargo yields (including surcharges) also continued their recently initiated downward trajectory, registering a 1.5% MoM reduction (-18.3% YoY). This decline materialized despite a simultaneous rise in jet fuel prices, which increased by 3.1% MoM in February, closing at 112.1 USD per barrel with a continued, elevated jet fuel crack spread at around USD 28 per barrel. Similarly, the Red Sea Shipping Crisis and the related sharp decrease in relative air cargo rates over container shipping continued to fail to produce significant upward pressure on the industry-average monthly yield for air cargo.

Global air cargo yields decreased further last month, with no visible impact by the capacity constraints in the Red Sea

Air cargo yields are closely connected to the developments surrounding cargo load factors, which dropped by a further 0.6 ppt in February to settle at 45.1%, likely influenced by slowing activity in the Asia Pacific region after the Lunar New Year. Specifically, global air cargo yields (including surcharges) also continued their recently initiated downward trajectory, registering a 1.5% MoM reduction (-18.3% YoY). This decline materialized despite a simultaneous rise in jet fuel prices, which increased by 3.1% MoM in February, closing at 112.1 USD per barrel with a continued, elevated jet fuel crack spread at around USD 28 per barrel. Similarly, the Red Sea Shipping Crisis and the related sharp decrease in relative air cargo rates over container shipping (Chart 9) continued to fail to produce significant upward pressure on the industry-average monthly yield for air cargo. ■

TOP 10 BUSIEST AIRPORTS WORLDWIDE FOR 2023, İSTANBUL IS THE SEVENTH BIG AIRPORT

Airports Council International (ACI) World has unveiled the highly anticipated preliminary top 10 busiest airports worldwide for 2023, showcasing significant shifts driven by the resurgence of international air travel.



- ▶ The global total passenger forecast for 2023 stands close to 8.5 billion, reflecting a remarkable recovery of 93.8% from pre-pandemic levels. Notably, international traffic recovery drew nearer to that of domestic traffic, emphasizing its essential role in propelling the industry's resurgence and expansion. The influx of passengers at international airports has been central in bolstering the recovery of hubs reliant on this segment, consequently influencing the composition of the top 10 busiest airports for total passengers.

ACI World Director General Luis Felipe de Oliveira said, "Global air travel in 2023 was chiefly fuelled by the international segment, propelled by several factors. Among these were the anticipated benefits from China's reopening and a growing inclination towards travel despite macroeconomic conditions. While perennial leaders from the US continue to dominate the top 10 busiest airports for passengers, notably Hartsfield-Jackson Atlanta International Airport retaining its number one position, there are notable shifts. Dubai International

Airport jumped to second rank for the first time, while Tokyo Haneda International Airport witnessed a remarkable ascent from 16th position in 2022 to 5th in 2023. Additionally, the unwavering strength of Istanbul and New Delhi airports keep them in top ranks, marking significant progress over 2019.

"Notably, cargo continues to play a key role in world commerce despite the year-over-year decrease. Hong Kong International Airport has maintained the top position, followed by Memphis International Airport and Shanghai Pudong International Airport. Doha International Airport rejoins the top 10, jumping to number 8 with a growth of 6.3% over 2019.

"The rankings highlight the crucial role these transportation hubs play in global connectivity, commerce, and economic development. Airports continue to demonstrate their resilience and adaptability amidst the challenges posed by the ever-evolving landscape of global travel. ACI World remains dedicated to advocating for airports worldwide throughout pivotal stages of policy formulation and to advancing the pursuit of airport excellence."

Airport rankings are based on data gathered from over 2,600 airports across more than 180 countries and territories globally. This vast dataset places ACI World in a distinctive position as the foremost authority on airport travel demand, ensuring the utmost accuracy and reliability in its rankings.

Passenger traffic highlights

- Preliminary figures indicate that the 2023 global total passengers' figure is close to 8.5 billion, representing an increase of 27.2% from 2022 or a recovery of 93.8% from pre-pandemic results (2019).
- While the domestic market grew by 20.2% (or a recovery of 96.8% of the 2019 level), the international market drove recovery with a 36.5% growth rate (or 90.4% of the 2019 level).

- The top 10 airports representing close to 10% of global traffic (806 million passengers), witnessed a gain of 19.8% from 2022 or a gain of 0.7% vis-à-vis their 2019 results (801 million pax in 2019).
- Hartsfield-Jackson Atlanta International Airport holds onto the top rank and is followed by Dubai International Airport for the first time, surpassing Dallas Fort Worth International Airport in third position.
- From the top 10 rankings for total passenger traffic, 5 airports are in the US.
- The biggest jump in the top 10 rankings is recorded for Tokyo Haneda, leaping from 16th position in 2022 to the 5th spot in 2023.
- Hartsfield-Jackson Atlanta International Airport is set to host the 2024 ACI World Customer Experience

Summit and Exhibition, from 23 to 26 September in Atlanta, USA.

Cargo traffic highlights

- Air cargo volumes are estimated to have decreased by 3.1% year-over-year (-4.6% versus 2019), to close to 113 million metric tonnes in 2023.
- Air cargo volumes in the top 10-representing around 26% (29.6 million metric tonnes) of the global volumes in 2023-lost 3.5% in 2023 year-over-year. The decline can be attributed to the ongoing geopolitical tensions and disruptions to global trade and supply chains.
- Hong Kong International Airport remained in top rank followed by Memphis International Airport and Shanghai Pudong International Airport. Anchorage Airport ranks 4th and is followed by Incheon International Airport in 5th ■

AIRBUS HAS LAUNCHED THE OPENCARGOLAB

► Airbus has launched the OpenCargoLab, a collaborative initiative with leading partners from the airline, logistics and handling sectors, focusing on the entire airfreight ecosystem. The collaboration involves a team of experts from CHAMP Cargosystems, Fraport, KLM Cargo, Kuehne+Nagel and Swissport. Together, the partners will work to drive digital, resource-saving concepts, contributing to more resilient and efficient airfreight processes. Announced at the IATA World Cargo Symposium in Hong Kong taking place from 12 to 14 March, the OpenCargoLab supports Airbus' forecast, which expects the global freight market to grow by 50% by 2042. Specifically for Asia-Pacific, the region's continued rapid economic growth means this market remains highly promising for modern airfreight business with digital-savvy hubs. Airbus anticipates demand for

around 400 widebody freighters, including new builds and conversions, in Asia-Pacific over the next 20 years. This represents more than 25% of global demand for 1,490 cargo aircraft in the above 40 tonne segment. As part of the OpenCargoLab initiative, Airbus will also evaluate digital solutions such as augmented reality and robotics in order to optimise data connectivity in general and, for example, the transport of dangerous goods in particular. "With the OpenCargoLab, we benefit from a holistic think tank for the dynamically growing cargo market and thus an agile environment for developing innovations connecting the airfreight market of today and tomorrow," says Marvin Ehrmann, Head of Airbus' OpenCargoLab. "We are very excited to have established a thought leadership platform where experienced partners can drive the airfreight

sector to become even more efficient, sustainable and connected." In addition, the OpenCargoLab will contribute to the A350F's further design and application development. Just two-and-a-half years after launch, the order book for this all-new, next-generation freighter stands at 50 firm orders from nine customers as Airbus steadily expands its market share in this highly competitive segment. In order to test the findings developed at the OpenCargoLab, an innovative test field for validating these new technology concepts is currently established at Airbus' Cargo competence site in Bremen, Germany, e.g. known for the development of the cargo loading systems or the cargo door actuation systems. Among others, a replica of the A350F fuselage with the large cargo door included will be installed at the sites' new Cargo Test Center by the end of 2024. ■

EACH STEP TAKEN AGAINST CARBON FOOTPRINT IN LOGISTICS IS OF GREAT IMPORTANCE

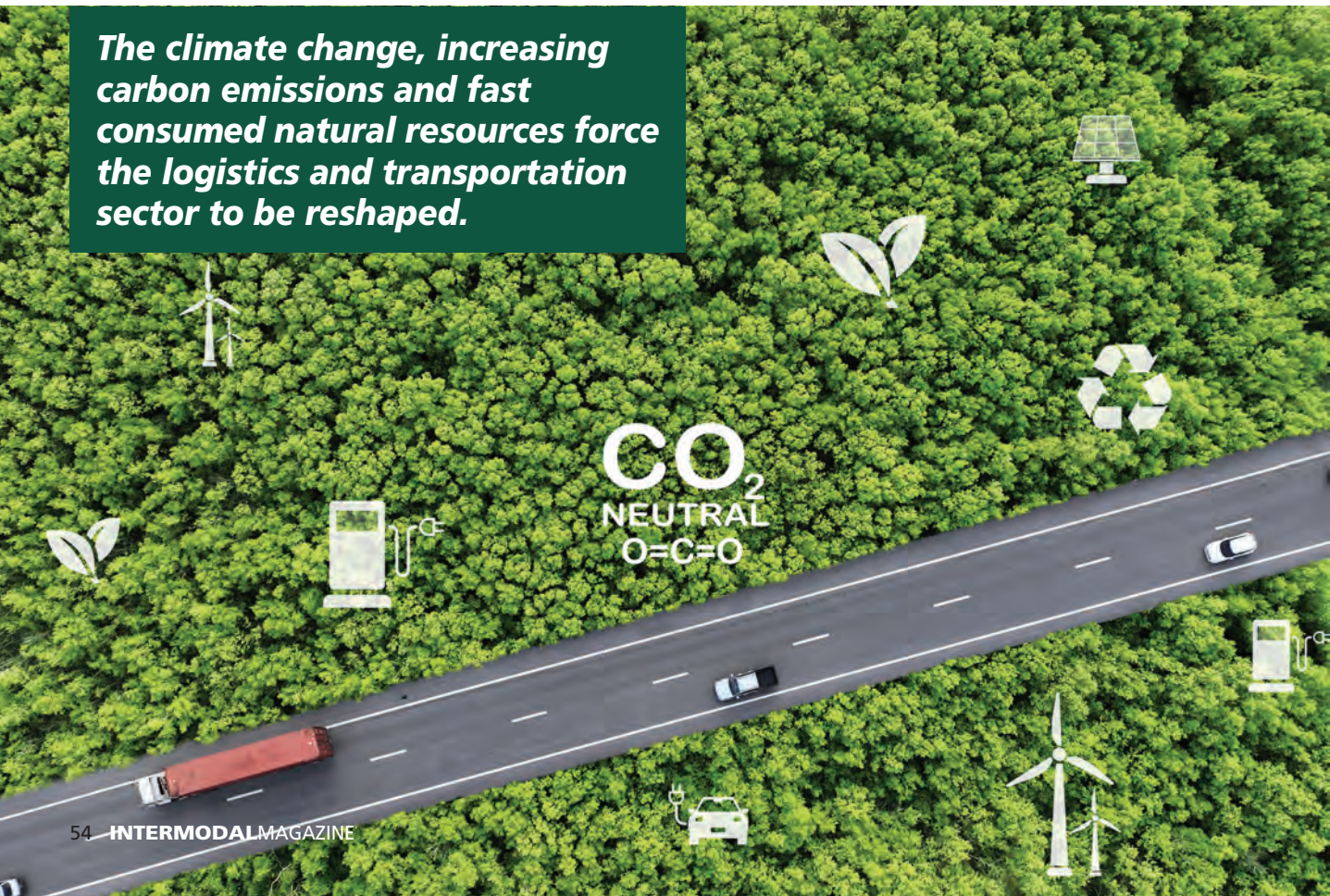
► The ever increasing environmental problems across the world and the climate change bring sustainability to forefront in all sectors. Within this context, the logistics and transportation sectors especially attract attention. This sector plays an important role in terms of its environmental impacts, in addition to

being the soul of the global trade and economy. Sustainable logistics and transportation aim for decreasing the environmental footprint, optimizing the resource utilization and ensuring economic sustainability in the long term in this sector.

The carbon emissions caused by the logistic activities deepen the

environmental problems such as global warming, climate change and consumption of natural resources. Within this context, the carbon footprint mitigation strategies in the logistics sector are of great importance for the achievement of the sustainability and environmental protection goals.

The climate change, increasing carbon emissions and fast consumed natural resources force the logistics and transportation sector to be reshaped.



Decreasing the carbon footprint in the logistics activities require the joint responsibility of the various sectors. These strategies include the participation of the both businesses and the supply chain stakeholders. Moreover, carbon decreasing efforts should not only be environmental but also be aligned with economic and social sustainability.

The efforts to decrease the carbon footprint in the logistics sector require both being sensitive to environmental problems and leading for a sustainable future in the business world. The implementation of these strategies might take the logistics sector to a more sustainable future in terms of environment and economy.

Green logistics come to the forefront as an important strategy for the future of the logistics sector. It will not only decrease environmental impacts and might also decrease the costs of the business and provide a sustainable competitive advantage. The efforts to decrease carbon footprint might make positive contributions to both our environment and operation performance. The commitment to leave a cleaner environment to future generations should be a part of the green logistics understanding. Green logistics is a guideline promoting environmental sustainability and directing business to environmental applications and the steps to be taken on this road seem to be beneficial both for the business owners and the environment.

The logistics sector is the top sector generating greenhouse emission. The sector generates greenhouse gas emission equal to 7.2 gigatons of carbon dioxide per year annually. The transportation sector constituting 23 percent of the global greenhouse gas



emissions is considered as the third biggest greenhouse gas emission resource after the transportation sector, industry and buildings. The transportation sector dependent on fossil fuels is expected to be the most carbon intensive sector of the economy by 2040. 36 percent of the transportation sector emissions was caused by the goods transportation in 2015. The goods transportation is expected to cause emissions nearly same as the passenger transportation by 2050.

27 percent of the emissions in the road transportation were caused by lorries, buses and trucks

The road sector generates the highest amount of emissions by constituting around three fourths of the total transportation emissions due to the road and goods transportation. Even though the studies regarding electric road transportation are ongoing, mostly diesel consumption is anticipated. While factors such as optimized fleets and routes, energy efficient driving significantly help with increasing fuel efficiency, the improvement and efficiency efforts promise hope for decreasing the emissions caused by the road transportation. 27 percent of the emissions in the road transportation were caused by lorries, buses and trucks.

75 percent decrease in maritime transportation by 2050

The maritime transportation constitutes 30 percent and around 2 to 3 percent of the global carbon dioxide amount. It is aimed to decrease the greenhouse gas emission concentration of the maritime fuels by 20250. The annual average greenhouse gas emission concentration of the energy used on ships is expected to decrease by 2 thousand percent in 2025, 6 thousand percent in 2030, 13 thousand percent in 2035, 26 thousand percent in 2040, 59 percent in 2045 and 75 percent in 2050.

Railway transportation usage should be encouraged

The railway transportation is an environmentally transportation mode with a high potential to decrease the carbon footprint and is a more environmentally friendly option as compared to the road transportation. Therefore, promoting the usage of the railway transportation might help with decreasing the carbon footprint. The International Energy Agency (IEA) believes that the railway transportation has an important potential to decrease the global greenhouse gas emissions. According to the IEA, increasing the usage of railway transportation might decrease the global greenhouse gas emissions by around 1 percent by 2050. ■

FOREIGN TRADE ACCORDING TO GENERAL TRADE SYSTEM BY TOP TWENTY COUNTRIES (2023-2024)

	MARCH					JANUARY-MARCH				
	2023		2024		Change %	2023		2024		Change %
	Value	Share	Value	Share		Value	Share	Value	Share	
Exports										
Total	23.547.645	100,0	22.570.922	100,0	-4,1	61.417.159	100,0	63.602.575	100,0	3,6
Germany	2.001.551	8,5	1.749.425	7,8	-12,6	5.521.347	9,0	5.232.468	8,2	-5,2
Italy	1.192.326	5,1	1.287.893	5,7	8,0	3.222.450	5,2	3.448.698	5,4	7,0
USA	1.315.074	5,6	1.264.971	5,6	-3,8	3.585.629	5,8	3.804.157	6,0	6,1
Iraq	1.106.183	4,7	1.188.626	5,3	7,5	2.698.445	4,4	3.356.801	5,3	24,4
UK	1.128.618	4,8	1.171.915	5,2	3,8	2.929.350	4,8	3.256.365	5,1	11,2
Spain	974.744	4,1	890.205	3,9	-8,7	2.521.170	4,1	2.458.598	3,9	-2,5
France	984.240	4,2	859.593	3,8	-12,7	2.589.307	4,2	2.411.012	3,8	-6,9
Netherlands	796.036	3,4	811.869	3,6	2,0	1.892.731	3,1	2.126.118	3,3	12,3
Romania	564.385	2,4	802.985	3,6	42,3	1.499.263	2,4	1.927.929	3,0	28,6
Russia	1.047.416	4,4	756.201	3,4	-27,8	3.096.089	5,0	2.051.017	3,2	-33,8
UAE	628.235	2,7	570.431	2,5	-9,2	1.483.283	2,4	1.581.626	2,5	6,6
Poland	536.772	2,3	522.198	2,3	-2,7	1.431.723	2,3	1.497.509	2,4	4,6
Belgium	369.528	1,6	438.862	1,9	18,8	1.026.207	1,7	1.181.898	1,9	15,2
Bulgaria	430.146	1,8	437.905	1,9	1,8	1.073.094	1,7	1.171.153	1,8	9,1
Israel	600.039	2,5	436.928	1,9	-27,2	1.542.626	2,5	1.208.469	1,9	-21,7
Saudi Arabia	273.643	1,2	409.960	1,8	49,8	667.848	1,1	1.026.250	1,6	53,7
Egypt	272.271	1,2	387.791	1,7	42,4	771.959	1,3	1.006.919	1,6	30,4
Greece	316.543	1,3	374.612	1,7	18,3	766.563	1,2	1.045.876	1,6	36,4
Ukraine	291.026	1,2	295.356	1,3	1,5	911.566	1,5	815.438	1,3	-10,5
Iran	231.931	1,0	281.502	1,2	21,4	701.428	1,1	817.232	1,3	16,5
Others	8.486.939	36,0	7.631.695	33,8	-10,1	21.485.082	35,0	22.177.041	34,9	3,2
Imports										
Total	31.926.700	100,0	29.911.723	100,0	-6,3	96.216.611	100,0	83.945.336	100,0	-12,8
China	3.786.872	11,9	3.899.826	13,0	3,0	10.443.605	10,9	10.227.130	12,2	-2,1
Russia	3.862.701	12,1	3.632.024	12,1	-6,0	13.075.666	13,6	11.983.988	14,3	-8,3
Germany	2.693.838	8,4	2.145.984	7,2	-20,3	6.582.151	6,8	6.281.953	7,5	-4,6
Italy	1.393.022	4,4	1.902.231	6,4	36,6	3.577.187	3,7	4.632.228	5,5	29,5
USA	1.404.328	4,4	1.406.958	4,7	0,2	3.684.572	3,8	4.145.895	4,9	12,5
France	1.191.436	3,7	1.200.400	4,0	0,8	2.918.768	3,0	3.253.182	3,9	11,5
Switzerland	1.301.136	4,1	860.257	2,9	-33,9	9.164.169	9,5	2.537.287	3,0	-72,3
Spain	794.345	2,5	767.667	2,6	-3,4	2.022.252	2,1	2.227.040	2,7	10,1
UAE	380.183	1,2	749.399	2,5	97,1	1.220.507	1,3	1.609.311	1,9	31,9
South Korea	834.115	2,6	712.312	2,4	-14,6	2.178.017	2,3	1.955.189	2,3	-10,2
UK	656.717	2,1	666.272	2,2	1,5	1.622.282	1,7	1.763.907	2,1	8,7
India	626.247	2,0	592.248	2,0	-5,4	2.045.376	2,1	1.469.091	1,8	-28,2
Poland	487.310	1,5	565.491	1,9	16,0	1.261.327	1,3	1.437.719	1,7	14,0
Netherlands	490.435	1,5	421.166	1,4	-14,1	1.156.551	1,2	1.225.071	1,5	5,9
Kazakhstan	301.595	0,9	388.978	1,3	29,0	872.797	0,9	964.465	1,1	10,5
Japan	462.149	1,4	387.448	1,3	-16,2	1.209.826	1,3	1.134.523	1,4	-6,2
Belgium	499.693	1,6	381.442	1,3	-23,7	1.159.570	1,2	1.159.231	1,4	0,0
Malaysia	396.428	1,2	367.360	1,2	-7,3	996.968	1,0	965.437	1,2	-3,2
Romania	323.876	1,0	363.884	1,2	12,4	954.200	1,0	975.795	1,2	2,3
Egypt	356.007	1,1	361.291	1,2	1,5	862.481	0,9	1.044.752	1,2	21,1
Others	9.684.266	30,3	8.139.086	27,2	-16,0	29.208.339	30,4	22.952.143	27,3	-21,4

* TurkStat, Foreign Trade Statistics, March 2024

** Countries are ranked by March, 2024 figures.

*** Thousand US \$

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