

# Intelligent Freight System - Efficient Intermodal Integration as Low Carbon Solution in Japan

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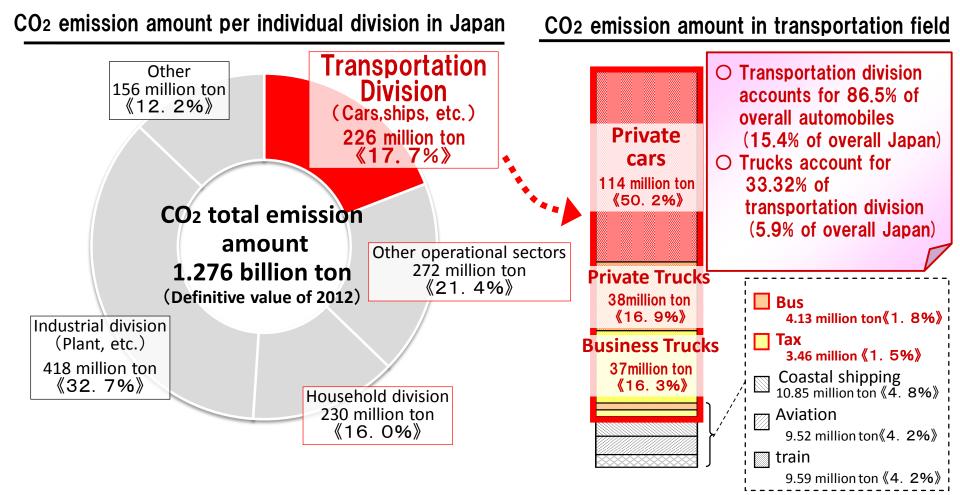


### CO<sub>2</sub> Emission Amount of Transportation Department in Japan



O Out of CO<sub>2</sub> emission amount in Japan, emission amount from transportation field accounts for 17.7% of the share.

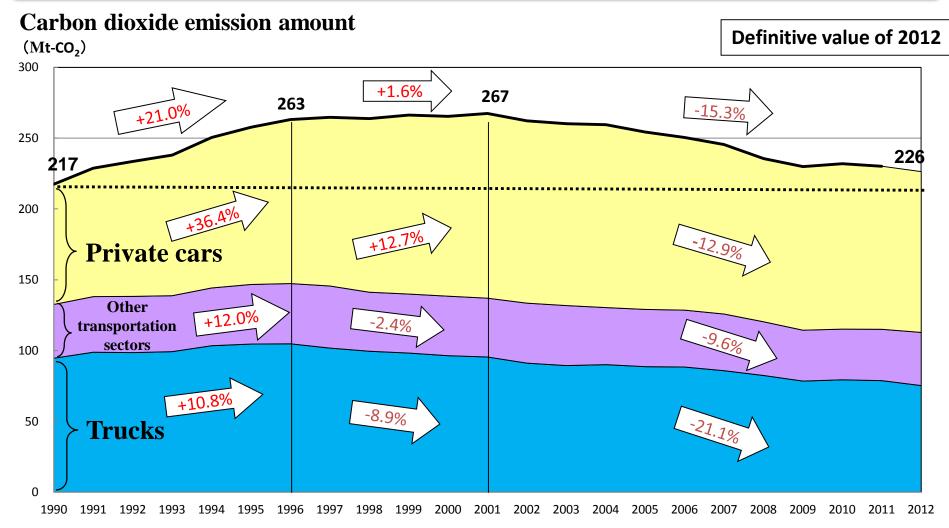
OThe overall automobile accounts for 86.8% of transportation field (15.4% of overall Japan)



## Shift of CO<sub>2</sub> emission amount in trasportation division of Japan



OWith 2001 as the peak, the CO2 emissin in transportation division is showing a declining trend.



Other transportation sectors: bus, taxi, train, ships, airplanes

## Low corbonization structure of distribution field

## CO2 emission = Transport Volume × Efficiency × CO2 emission source unit

#### [Examples]

- Make modal shift from using trucks to trains/ships
- Streamlining of truck transportation through traffic control
- Consolidation of distribution facilities
- Improvement of truck's load factor through joint delivery, etc.
- Streamline through cooperation between distribution operator and goods
- Shift from using private truck to commercial truck
- Reducing service frequency by increasing the size of vehicle
- Active use of information system
- Reducing weigh/size of packaging materials
- Use of third party logistics

(Other examples related to low carbonization of distribution field)

- Low carbonization of sea port
- Low carbonization of warehouse

- Reducing CO<sub>2</sub> emission source unit of cars, trains, ships, airplanes through technology innovation
- Make a shift from using diesel car to natural gas car with lesser CO<sub>2</sub> source emission unit.
- Improving fuel costs through eco-drive, etc.

## Low corbonization structure of distribution field



Modal shift(using trucks to trains)



Reducing CO<sub>2</sub> emission source unit of ships airplanes through technology innovation



Make a shift from using diesel car to natural gas car with lesser CO<sub>2</sub> source emission unit.

### Green logistics partnership meeting



OMeeting held for the sake of advancing concerned participants such as model shippers, distribution operators to be able to share and exchange their awareness concerning the importance of "green" logistics.

OHost: Ministry of Land, Infrastructure, Transport and Tourism; Ministry of Economy, Trade and Industry; Japan Institute of Logistics System, Japan Federation of Freight Industries

**OSupport: Japan Business Federation** 

OEstablishment: April, 2005

ONumber of Members: 3,314 (as of December, 2013) ••• distribution operator, cargo owner enterprise, individual industry groups, thinktank, research institutes, etc.

O Implementation of awarding/introduction of excellent business enterprises, holding discussions, etc. concerning "green" distribution to expand public's voluntary initiative toward CO<sub>2</sub> reduction.

## Green logistics partnership meeting



#### Examples of commendation related to Ministry of Land, Infrastructure, Transport and Tourism (2014) ~

## Ministry of Land, Infrastructure and Transport minister's secretariat distribution deliberation official commendation Project Name:

"Streamlining of coal chemical product through modal shift of trains ~ new potential for liquid product transportation through birth of oil freight train & special coal chemical product tank container train"

#### business operators :

JAPAN OIL TERMINAL CO., LTD, Shin-Etsu Chemical Co., Ltd, Japan Freight Railway Company, VORTEX SEIGUN Co., Ltd., Kanagawa Express



#### Special award for "green" distribution partnership meeting

#### **Project Name:**

" ~ Moving toward further evolution of cooperative delivery ~ Realization of CO<sub>2</sub> reduction through coordination with wholesale stores by reducing standby delivery vehicles for cooperative delivery"

#### business operators :

KONPOU UNYU SOKO, Inc., Kanakan Inc., HOKURIKU CHUO SHOKUHIN CO., LTD., HOKURIKU RYOSHOKU



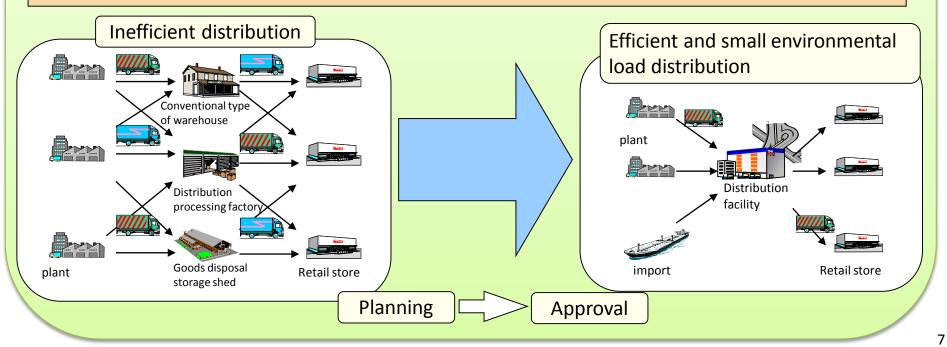
## Laws concerning advancement of centralization and streamlining of distribution operation



#### [Law summary ]

## **Basic policy**OTo implement transport/storing/distribution processing in comprehensive manner OMust make sure transportation and delivery are being streamlined through consolidation/joint transporting, etc.

OMust make sure the plan is centered around distribution operation facilities located near highways/seaport/etc.



## Laws concerning advancement of centralization and streamlining of distribution operation



#### [Support measures]

- OAdvancement of comprehensive implementation of distribution business: Lump-sum obtainment of project approval, etc.
- Oservicing of distribution facility base coordinating with social capital : Providing consideration to special measures for taxation system, location regulations
- OSupport for small/mid sized business entrepreneurs, etc. : financial, etc. support, monetary policy, human resources development

#### [Effect]

- OAdvancing of distribution reform, reduction of environmental load, regional vitalization
  - roughly 20% reduction of CO2 emission amount

### Law Regarding the Rationalization of Energy Use

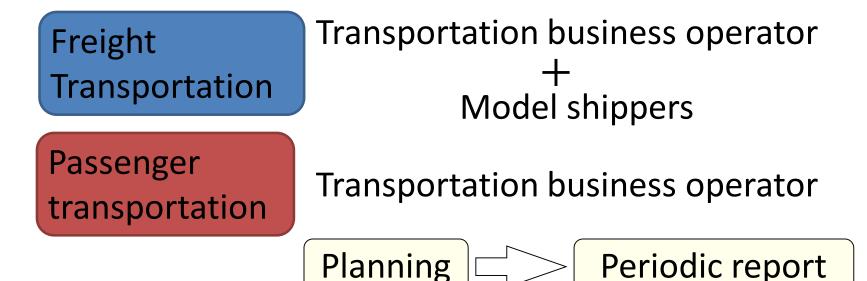




Target transportation division

< Freight and passenger transportation >





## Law Regarding the Rationalization of Energy Use

Transportation business operator (Cargo • passenger) Freight • Entity with passenger transportation as their business (Includes private transportation) Truck transportation, coastal shippings, trains, airplanes

Specified transportation business operator (As of June, 2013 585 companies) Specification condition

Number of owned trucks : Over 200 trucks Freight space of coastal shipping : Over 20,000 tons Number of owned trains : Over 300 trains Maximum take-off weight of airplanes :

over 9,000 tons

#### Model shipper

Entity that have transportation business operator transport their goods (includes private transportation)

Specified model shipper (As of June, 2013 850 companies) Specification condition Yearly transportation volume of one's own goods (Own transportation portion + entrustment portion) is over 30 million tons

## Certificate system for green management of transport division



- ODraw up manual that will allow business operators to engage in voluntary environmental conservation activities through Eco-Mo Foundation coordinating with the government and affiliated industry entities.
- OEco-Mo Foundation giving certification to business operators with above certain qualified level pursuant to the manual
  - Certifying institution : Eco-Mo Foundation
  - Target categories : truck, bus, taxi storage, harbor transportation, passenger ship, coastal shipping
  - Valid period : 2 years
  - Certification condition : Must perform above certain level of initiatives per individual rating items
  - Registration result: 4,522 cases,

7,313 business office (as of October 20, 2014)



## Certificate system for green management of transport division



#### <Rating Items(For trucks)>

Category	Rating Items		
1.Servicing the structure/system for environmental conservation	<ul> <li>Draw up of environmental policy</li> <li>draw up of environmental action plan</li> <li>construction of advancement system</li> <li>Implementing environmental education to employees</li> </ul>		
2.Implementation of eco-drive	<ul> <li>Implementation of fuel management</li> <li>Fuel goal setting</li> <li>Constructing implementation system</li> <li>Implementing banning of idling</li> <li>Servicing of eco-drive promotion method</li> </ul>		
3.Implementation of low pollution vehicles	<ul> <li>Incorporation of newest regulation approved diesel car</li> <li>Corresponding to region specified low pollution vehicles, etc.</li> </ul>		
4.Service/inspection of cars	<ul> <li>Construction of implementation system</li> <li>appropriate inspection, implementation of service</li> <li>inspection based on one's own standard, implementation of service</li> </ul>		
5.Promoting appropriate disposal of toxic wastes and recycle	<ul> <li>Implementing education toward employees concerning toxic wastes</li> <li>scrapped cars, appropriate management of toxic wastes</li> </ul>		
6.Promoting environmental conservation of management division	<ul> <li>Advancement of environmental conservation in office</li> </ul>		

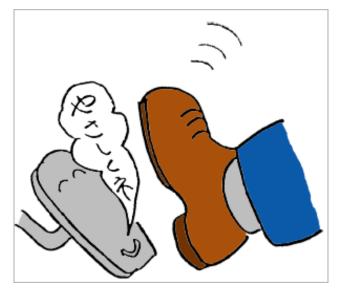
### Promotion of eco-drive



#### [Purpose]

Our goal is to reduce CO<sub>2</sub> emission from transportation division through promotion of eco-drive that can easily be implemented by ordinary citizens as the measure against global warming





Accelerate gently "e-start"

### Promotion of eco-drive



[Content of measures]

- OPromotion of eco-drive popularization and promotion conference activities (1997~)
  - Holding of symposium, distribution of flyers, etc.
- Olssuing of eco-drive course certificate and course completion certificate (as of end of February, 2014)
  - Issuing of course completion certificate, fuel analysis software, providing of posters, etc., issuing of eco-drive correspondence

	Number of certified organization	Number of course completion certification for 2013	Total number of course completion certification
Trucks(2007~)	16	11,132	118,136
<b>Cars</b> (2008~)	237	1,535	9,491

OCompetition event to encourage eco-drive activities and have so far received application from over 1,000 business offices.



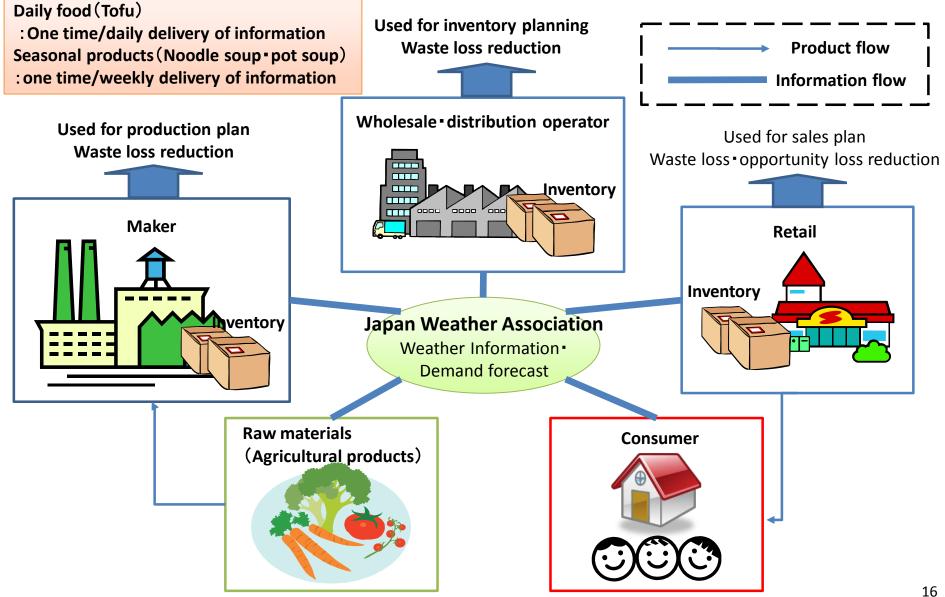
#### **New initiatives to reduce wasteful transportation volume** ~Demand forecast improvement /information sharing thorugh weather data~

Occurrence of food loss and wasteful transportation/delivery for products such as tofu, etc. where demand is affected by the weather topped with short expiration period.

OSharing information between related entities by improving demand forecast through Japan Weather Association.

OStrive to achieve food loss reduction and reduce 5% of unecessary CO<sub>2</sub> occurrence

#### New initiatives to reduce wasteful transportation volume $\sim$ Demand forecast improvement /information sharing thorugh weather data $\sim$

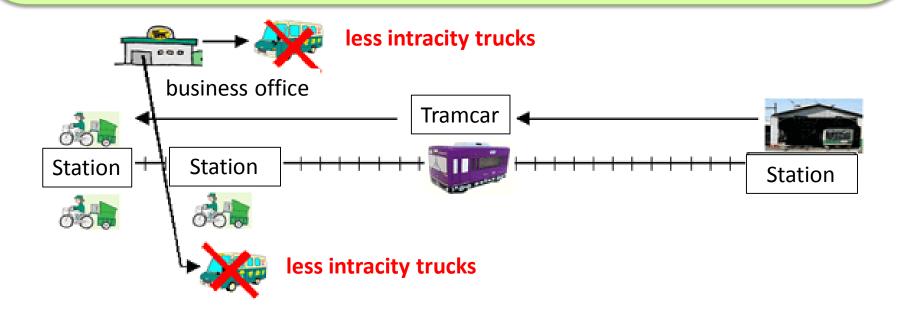


#### **New initiatives in improving transportation efficiency** ~ Low carbonization type collection/delivery system that uses tramcars



OConstructing the collection/delivery system that uses tramcar for transportation between distribution terminal and business office.

OCarts equipped with collection/delivery containers are being loaded onto a train at departing station, such carts are unloaded at each respective stations, and the sales driver loads it up (without making any changes) onto an electric bicycle attached with two-wheeled cart and goes on making collection/delivery.





## New initiatives in improving transportation efficiency $\sim$ Low carbonization type collection/delivery system that uses transcars $\sim$

102 Stat. Transportation by

chartered train

Sight of unloading cart from train at station

Making delivery by using bicycle attached with two-wheeled cart

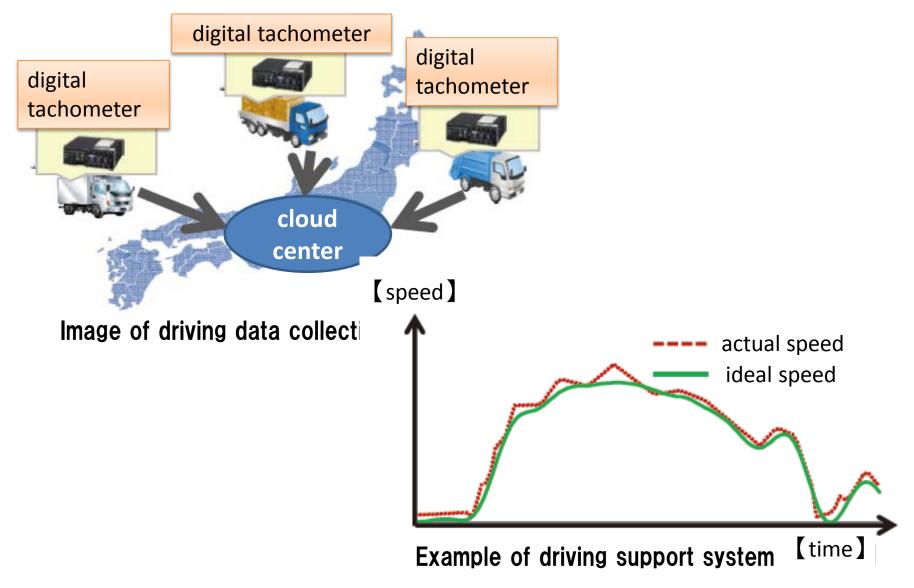


## New initiatives in improving CO<sub>2</sub> emission source unit a volume of the support that uses operation data of trucks a volume of

- OPromotion of digital tachometer for the obtainment of trucks operation data
- OStarting of initiative where obtained operation data are being gathered by cloud and being utilized
- OImplementation of service, etc. where driving level is being rated with actual numbers instead of just
  - Intuition by analyzing data gathered by cloud center and making comparison between actual speed during the drive and ideal speed
- OThanks to this driving support service, in addition to seeing the effect of incorporating digital tachometer, fuel costs have improved roughly 15% along with reduction of accidents since it leads to safe driving.



#### New initiatives in improving CO<sub>2</sub> emission source unit ~Driving support that uses operation data of trucks~





## Thank you

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