SEE WHERE YOU ARE

DIGITISATION • EFFECTIVE IMPLEMENTATION OF DIGITISED SYSTEMS RELIES ON STANDARDS. ECTA IS OFFERING A NEW GUIDELINE TO HELP THAT PROCESS IN THE CHEMICAL SUPPLY CHAIN

OVER THE PAST few years, it has become increasingly apparent that one of the main barriers to the uptake of digitised systems within the chemical logistics sector has been the lack of commonly recognised standards. This lack has made it difficult for shippers and their logistics service partners (LSPs) to have the confidence to make investment decisions in the systems that are available to help them improve efficiency in the supply chain.

Last year, a group of tank container operators in Europe decided that a common approach was necessary if acceptable standards were to be forthcoming; they also decided that this work should be undertaken under a neutral banner, if it was not to be seen as yet another standard that 'belonged' to a small group of operators. The European Chemical Transport Association

(ECTA) took up the baton and quickly attracted a number of other operators to take part in development work.

Now, just a few months later, ECTA has published the outcome of discussions by a work group in a Best Practice Guideline: *Transport Visibility within Bulk Chemicals*. In its introduction to the Guideline, ECTA explains that track-and-trace systems were developed to improve on-time delivery, a historical cornerstone in the measurement of transport service provision; since 2000 and with the introduction of ERP systems and broader use of electronic data interchange (EDI), technologies have emerged that allow shippers and their LSPs to analyse, measure and investigate late deliveries.

More recently, the emergence of cloud technologies and e-commerce services,

analysing service performance after delivery is no longer good enough: customers, even in the chemical industry, now expect the same sort of visibility and service that they get from Amazon and other providers. There is a need for those in the supply chain to be able to think proactively and anticipate late deliveries; what is vital to achieve that is accurate visibility all through the supply chain, through frequent and reliable milestone messages and estimated time of arrival (ETA) and delivery (ETD) updates, especially when unexpected delays are occurring.

BEST PRACTICE WHAT YOU PREACH

To help this process, ECTA's Guideline aims to provide a standard definition framework with transport milestone events and updates within a multimodal, door-to-door movement of chemicals. Once such milestone events are pre-defined and agreed by all of the supply chain actors, specific transport tracking and performance measurement reports can be established to answer questions such as: Will the truck be late at the final leg to the customer because the delivery appointment of the former rail leg was late? Should the LSPs pre-notify each other when a pre-notification to the final customer is expected?

Can the end customer obtain a regular tracking trail explaining where the shipment is and when it is expected to arrive?

It is important to have this framework in place before companies start deploying individual telematics and truck/equipment tracking solutions. It forms the basis for a move towards transport visibility, interoperability and real-time information exchange across all logistics actors in the chemical supply chain.

Having a standard framework means that there can be a streamlined communication flow that will help optimise inbound and outbound logistics, for the benefit of all players in the supply chain.

"This Best Practice Guideline wants to create a collaborative framework so our chemical customers can be served better," ECTA says. "To save costs, avoid re-work, improve customer service and avoid confusion along a chain of events within a door-to-door movement, ECTA recommends to exchange pre-defined, validated milestone messages and ETx updates between all supply chain actors involved instead of continuous sharing of GPS truck or load locations itself. Those signals are only a support to calculate especially the ETA dates and by themselves lack necessary additional information of driver resting hours, depot stops, ad-hoc planning changes etc."

BREAKING DOWN THE LANE

Even in single-lane transports, there are some challenges that are often encountered, not least the variability in visibility between the various participants. In multi-lane transports, those challenges are multiplied, especially if a rail leg is involved, since few rail providers have the capability as yet to predict with any accuracy the ETA of a container at a terminal.

In addition, ECTA says, "a scattered landscape" of supply chain actors often lacks connectivity, hampering the sharing of data in

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LEADING INTERMODAL OPERATORS IN EUROPE HAVE PUT THEIR MINDS TOGETHER UNDER THE ECTA BANNER TO DEFINE JUST WHAT INFORMATION IS NEEDED TO GIVE CONSIGNEES THE LEVEL OF RELIABILITY AND CONFIDENCE THEY CRAVE

anything like real time; therefore, data does not reach the consignee in time. To ensure the effective and reliable exchange of milestone messages in real time means adapting system infrastructure and resources, using harmonised and industry-wide standards. A workable solution also needs to keep IT complexity under control and reassure data owners that they can collaborate securely.

Furthermore, the milestone messages expected by shippers are not necessarily the same as those required by LSPs or receivers. ECTA's Guideline carefully describes the milestone messages that are possible and required under several different transport scenarios, defining in each case the information that must be contained in each message.

Those messages are for: booking confirmation, arrived at gate loading, checked out loading, dropped at first departure terminal, departed from first departure terminal, ready for pick-up at last arrival terminal, picked up at last arrival terminal, arrived at gate unloading, checked out unloading, ETA loading and ETA unloading. For each message there are nine elements required.

The ECTA Guideline also includes an example XML message for a single milestone message, including additional optional elements.

VOLATILITY IS NORMAL

Chemical supply chains are under constant change and stresses caused by planned and unplanned upswings in transport demand, of which the Covid-19 crisis is just an extreme example. We do not have to dig too far into the past to find other recent examples of significant transport demand volatility: the

Rastatt rail closure, strikes in France or low water levels on the Rhine are just a few examples.

Peter Devos, ECTA's managing director, says: "Such unplanned changes seem to have become the new norm in transport and logistics and this new ECTA best practice guideline is a first, important step to prepare the path of digitisation all along the supply chain and among all service providers and actors. An increased level of transport visibility and a faster, more accurate exchange of ETA delivery information among all parties is the new, digital way to cope with these recurring demand fluctuations.

"As logistics service providers we simply need to connect the physical and digital dots along the different milestone events and across the supply chain actors, while ensuring we have more consistent definitions to improve our communications and customer delivery predictability," Devos adds. "While we all know this is a big multimodal transport challenge, this new ECTA Guideline is a great start and sets the supply chain visibility scene while coping with demand volatility as the new norm.

"In addition, ECTA has decided to continue with the supply chain visibility work group and will extend the current group among its members as a further next step," Devos concludes. Meanwhile, all parties are encouraged to read the newly defined ETA framework and begin thinking how to apply it to their operations.

More information and a downloadable copy of the ECTA Guideline can be found at *www.ecta.com/news/8844380*.