

C-LIEGE - Clean Last mile transport and logistics management for smart and efficient local Governments in Europe

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Identification and assessment of aspects that lead to “not good” cases

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1. INTRODUCTION

1.1 Objective

This report describes part of the activities undertaken under work package 7, C-LIEGE Action Plan and Transferability Plan - Output 7.1. The objective is to identify the negative aspects that constitute barriers to the transferability of measures, so that doesn't lead to failures when a city transfers a practice that was successfully applied elsewhere without achievement the same good results. More than identifying the conditions of applicability for each measure it is relevant to be aware of the type of barriers that might appear and how to overcome those barriers, if they appear.

While there is plenty information available on different urban distribution measures used in many cities, in most EU studies less attention is given to the methodological approach for the successful transfer of these measures.

In the real world what can be observed is the implementation of measures usually imported from elsewhere where they were part of a successful case, often without a careful assessment of whether transferability conditions are ensured and sometimes end up as failures.

C-LIEGE generally followed the transferability methodology adapted and applied in the FP7 project TURBLOG_ww¹ on how to select and transfer a good practice on urban logistics successfully adopted elsewhere. For this scope, transferability is defined as “the ability to transfer/adopt in a given city successful measures previously adopted elsewhere, and achieve comparable results”.

As in TURBLOG_ww, rather than attempting to identify generalised measures that “will work everywhere”, the process focuses upon the particular features of the location to which the measure is being transferred, under the implicit assumption that each context is different. Whilst this feature of the process is a positive aspect for real world transport policy making, it clearly presents a challenge for making generalised conclusions about policy and technical measures for facilitating urban freight transport and management.

¹TURBLOG_ww: Transferability of urban logistics concepts and practices from a worldwide perspective.

A core issue that distinguishes C-LIEGE is the fact that it intends to highlight and establish the conditions to facilitate the transfer of good practices from one context to the other, but simultaneously it will look to the barriers to the successful implementation of a transferred measure (current Output 7.1) and for those it will establish a plan to highlight what has failed and therefore avoid negative duplication of such unsuccessful initiatives or measures (Output 7.2). This can be seen as a lessons learning approach to minimise the risk derived from the same implementation of non-successful actions (or approaches adopted) in other sites. Special attention will be placed in the development of guidance targeted to the different stakeholders, which will also feed the local freight development plans.

The following chapter presents the general methodology applied for the transferability of a measure and the identification of the aspects that lead to not good practices.

1.2 Description of the transferability methodology

The transferability approach is constructed around a “10 step process”, as it is presented in Figure 1. This process for the assessment of transferability needs consists in four main phases, which in C-LIEGE corresponds to several project activities:

- a “search phase” where a good practice is identified in the originator city, which has been done in WP2 activities;
- an “appraisal phase” where the compatibility of the good practice in the receptor city is appraised, which has been done in WP2 and at the roundtables (WP3);
- a “refinement phase” where specific barriers amenable to change and factors of success are identified in the receptor city (WP5 and WP6); and finally,
- an “implementation phase” where the good practice is implemented in the receptor city (WP5).

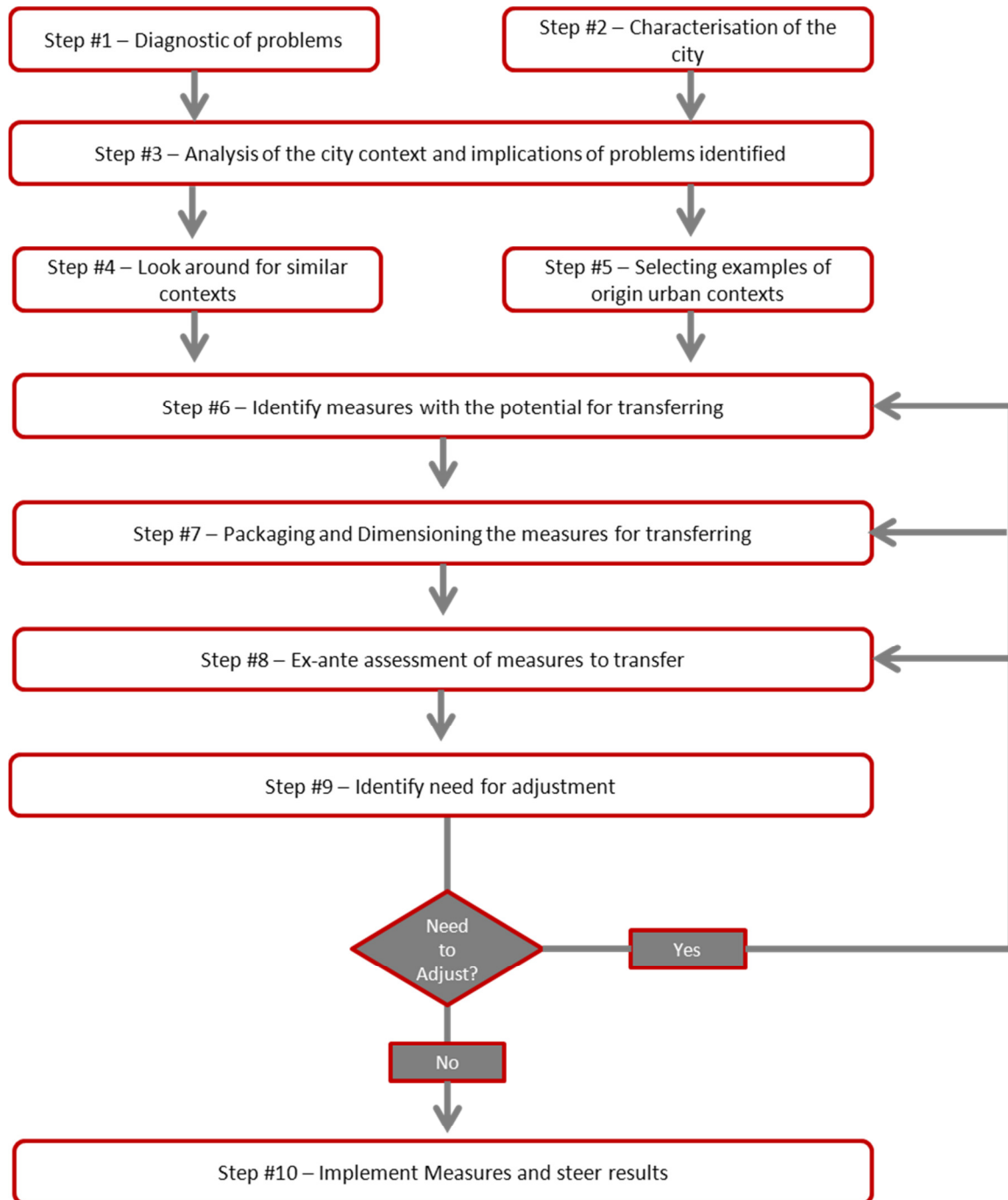


Figure 1– Transferability methodology (Source: TURBLOG 2011)

C-LIEGE adopted this process as a guidance process to the pilot implementation to make sure that the measures selected for implementation are the most suited for each case. This approach has been successfully applied and recommended since the CIVITAS project METEOR..

After a detailed characterization of the urban structure in each city encompassing aspects such as geographic, structural, demographic, architectural, cultural and transport system-related factors, as required in the second step of the adopted transferability methodology, several roundtables with stakeholders such as city authorities, freight operators, distributors, service providers, wholesalers, were held in each of the pilot cities. In all cases someone from the consortium acted as a facilitator of the process.

Having a facilitator from the consortium for each pilot was a key factor for the success of the roundtables and to accomplish C-LIEGE objectives.

During the roundtables, the local joint strategic exercise and other C-LIEGE activities several aspects that lead to failures were already identified.

The following chapter identifies the typology of barriers commonly used and that C-LIEGE adopted as well.

Conducting the meetings and guiding all stakeholders through a step by step approach in order to evaluate an urban area in terms of urban freight policy and solutions, a city should gather a specific amount of information that will enable the understanding of the city context through a “screening” process. This consists in the first four steps of the transferability methodology. The remaining six steps correspond to the transferability process itself.

2. IDENTIFICATION OF THE NEGATIVE ASPECTS TO THE SUCCESSFUL IMPLEMENTATION OF A TRANSFERRED MEASURE—BARRIERS IDENTIFICATION

2.1 Introduction

One strong justification for some failures in the implementation of measures that were part of a successful case is the lack of a careful assessment of whether transferability conditions are ensured.

The analysis of transferability puts strong emphasis on looking closely at the enablers (success drivers) and the barriers affecting the adoption of candidate measures for (potential) transfer. Therefore it is necessary to systematise what potential barriers to policy implementation exist and, in each transferability case study, to identify when they are likely to occur. A typology of barriers was developed in the METEOR project, validated in TURBLOG and adopted in C-LIEGE as well to categorise the type of problems that can be found to avoid replication. The enablers can be viewed as the inverse of barriers.

2.2 Identify the typology of barriers

The barriers that might undermine the successful implementation of a transferred measure in a 'receptor' city can be classified as:

- **Financial** (the financial cost of the measure in the receptor city is considered to be too high);
- **Physical** (the natural and/or built aspects of the receptor city make the transferred measure inappropriate);
- **Technological** (the transferred measure has technological elements that are unavailable in the receptor city or are inconsistent with the technology currently operating in the receptor city);
- **Cultural** (the traditional culture operating in the receptor city makes the transferred measure seem 'strange' and/or difficult to implement);
- **Political** (the transferred measure has a perceived negative impact on one or more sections of the population, thus leading to political conflicts);

- **Legal** (the national and/or local legal system operating in the receptor city makes elements of the transferred measure illegal);
- **Security** (security problems hinder the implementation of the transferred measure).

This typology can be used as a checklist when considering the possibility of transferring any measure. In many cases, it is feasible to overcome a barrier. Two general (complementary) approaches exist for doing so:

- The transferred measure can be adapted in order to remove, or at least lessen the importance of, those aspects of the measure that are undermined by barriers;
- The measure can be combined with one or more other measures (in a policy package) which counteract the barrier concerned. For example a high-cost measure (involving a financial barrier) can be combined with a revenue-generating measure. Alternatively, a measure that has negative impacts on a section of the population (involving a political barrier) can be combined with a measure that is popular amongst that section of the population.

2.3 Negative aspects and their implications: Examples around the world

Usually projects don't tell about what went wrong as in most of the cases there is no impact assessment after the project implementation, which would enable the identification of the aspects that lead to those "bad results.

From the barriers examples overview collected in TURBLOG and identified in C-LIEGE pilot cities previous experiences it was possible to identify the barriers below:

- Some measures that foresees areas in the master plan for urban logistics activities need to be articulated with the Municipal Council, otherwise they are not possible to be applied;
- City logistics centers: the problem related to the city logistic centers is that there is a large number of autonomous freight transporters and it is difficult to articulate all the needs/wills of so many different people;
- Lack of experience regarding the management of a city logistics centre;
- Resistance of traders and freighters to night-time work for security and cost (night shift premium);

- Lack of control for parking rules and loading and unloading operations;
- Traditional culture does not support this type of measure. Costs of enforcement need to be taken into account;
- Financing for the measure needs to be found in a situation in which finance is scarce;
- Costs of enforcement need to be taken into account. There would possibly be a negative reaction from freight transporters;
- Costs of signage need to be taken into account;
- Lorry maps should not be too difficult to understand;
- The traditional culture operating in the receptor city makes the transferred measure seem 'strange' and/or difficult to implement;
- Small scale and fragmented commerce;
- Lack of tradition of collaborative schemes.

For C-LIEGE elicitation of good practices a SWOT analysis has been performed identifying the strengths, weaknesses, opportunities and threats for each good practice selected.

The inputs received have been used to carry out the SWOT analysis, as shown below:

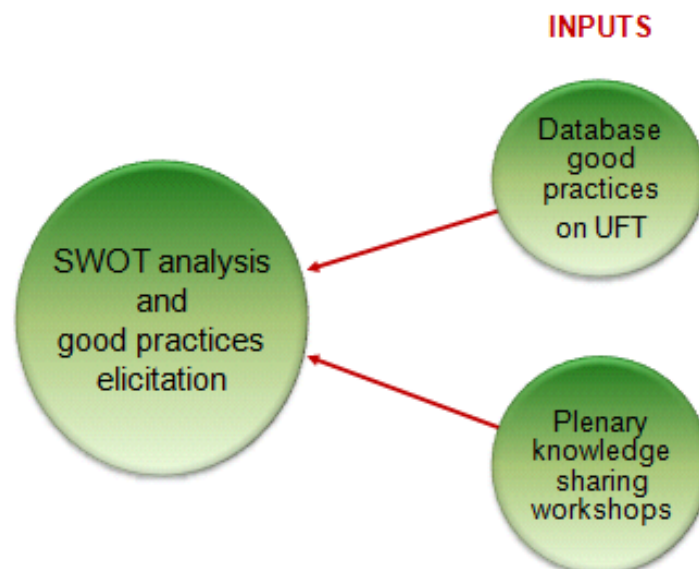


Figure 2 – SWOT analysis procedure (WP2 activities)

The following questions were raised:

- **What are the strengths of a good practice when implemented in a city?**

This examined the internal strengths when implementing a good practice on urban freight transport, found the benefits and advantages of implementing a good practice, such as the energy savings, the environmental, economic and social benefits. Therefore, the reduction of emissions and the reduction of operational costs are examples of such strengths.

- **What are the weaknesses of a good practice when implemented in a city?**

This refers to lack of funds, high cost for the implementation of the action, limited access to relevant information, technical difficulties, etc.

- **What are the opportunities of a good practice when implemented in a city?**

The opportunities cities may face externally when implementing a good practice. Opportunities may include external benefits for cities, such as the future environmental benefits for Europe, the future competitive advantages of businesses, etc.

- **What are the threats of a good practice when implemented in a city?**

This analyses the threats to cities when adopting such good practices. Threats refer to future problems and obstacles, and hence, this information can involve the future environmental regulations, the prospects of the economic situation or additional financial funds, etc.

2.4 Negative aspects and their implications: Examples from C-LIEGE pilot cities ongoing experiments

The evaluation analysis is still ongoing and therefore the negative aspects found are still limited. This will be analysed and included in Output 7.2 as soon as it is available.

A wide variety of proposals to encourage energy-efficient urban freight transport have been planned and put in place across our C-LIEGE pilot sites. The range of measures under way and the varying sizes and characteristics of the pilot sites contribute to the transferability objective of the C-LIEGE programme. The main lesson learnt during the delivery phase of the pilots implementation and roll out (WP5) is that the process of securing political approval and budget allocations takes time, and these processes are often not coterminous with C-LIEGE timescales.

In a few cases, measures have had to be re-aligned or substituted, due to political or implementation difficulties with the original measure. This was to be expected as not every putative measure proves to be viable in terms of actual delivery. The fact that, in all cases, alternative measures have been identified demonstrates that the C-LIEGE pilot sites are “living laboratories” of innovation and suggests that they will continue to bring forward dynamic ideas to improve urban freight movement beyond the lifetime of the project.

Another challenge was the difficulty in establishing new City Logistics Manager posts at a time of fiscal austerity and job-shedding in many municipal authorities. This has been overcome by a pragmatic approach of identifying those managers who are presently performing the CLM role and more clearly delineating their status as CLMs.

Finally, it is encouraging that pilot sites have already given consideration to the long-term status of implemented measures post C-LIEGE and appear confident of their continuation – this is particularly important in the case of Freight Quality Partnerships which require continuity of funding and municipal engagement to take forward coherent long-term strategies for UFT.

Although feedback is often specific to the particular pilot measure (as one would expect), three common themes do emerge which represent barriers to the introduction of either ‘vertical’ or ‘horizontal’ measures. These are:

- a) Finance
- b) Political support
- c) Involvement of stakeholders

These three barriers are interlinked. Without political support, it will be difficult to secure finance. Without finance, operators and other stakeholders may see little purpose in giving up their time to become involved.

Even with political support, this does not guarantee the availability of funding. Local authorities in many parts of Europe are facing intense financial pressures resulting in the need to cut spending on a range of services. It cannot be expected that freight will be exempt from this process. Moreover, despite its economic importance, freight may not be regarded by local residents as a high priority for investment, compared to public transport, schools or old people's care, for example.

Barriers related to City Logistic Manager

In an environment of intense austerity, ensuring dedicated funds for the establishment of new personnel within city Administrations holding responsibility for CLM operations only, has proven to be a barrier in most of the pilot cities. The solution is to allocate the functions that a CLM should have to someone that has already the responsibility of e.g urban mobility issues.

Barriers related to Freight Quality Partnership

One of the key measures implemented within the context of the C-LIEGE project was the setup and establishment of Freight Quality Partnerships (FQP) in the project's pilot sites of Montana, Emilia-Romagna, Hal Tarxien, Szczecin, and Stuttgart, as well as the re-activation of the FQP in Leicester. These actions were supported by the project partner Newcastle City Council (NCC), a leading member of the successfully operating "Tyne and Wear Freight Partnership", in terms of providing training and assistance to the newly-formed FQPs.

The assessment essentially highlights the importance of having a local authority participating (or in most cases leading) in both the establishment and operation of a partnership. In the majority of the pilot sites, the setting up of an FQP would not have been possible without the coordinating role played by the local administration. The difficulty in engaging freight and logistics operators in the initial set-up phase, as well as in securing funding are identified as the key barriers against the establishment of all newly-formed FQPs.

Newcastle pilot FQP negative aspects

The only failure noted was the difficulty in securing “buy-in” from a large number of operators due to their commitments and workload/budgetary pressures (especially in the present fiscal environment).

Finally, the most important lesson learned is the need to have an adequate budget to enable the delivery of tangible measures, so that positive progress can be reported at the meetings demonstrating, in this way, that the Partnership is not just a “talking shop”. It is important that those attending feel that the Partnership is moving forward pro-actively and provides added value to participants.

Leicester pilot FQP negative aspects

The challenges faced were getting more private sector companies to attend the meetings, obtaining the commitment of the local airport, and getting actions delivered, since these are often within the remit of the City Mayor. The above have contributed to the failures to recruit new businesses to attend, including TNT to attend and speak about their electric van used for distribution in the City Centre.

Finally, the key factors that may influence success or failure were identified as being:

- Power of the group e.g. political and financial as well as power to do things
- Marketing – getting in the big players
- Regularity of meetings
- Showing action
- Recognition from peers
- Numbers of members

The key factors that may influence success or failure were identified as being: power of the group (political and financial), marketing (getting in the big players), regularity of meetings, showing actions and tangible results, recognition from peers, numbers of members joining. The European character of the C-LIEGE project has significantly enhanced the attractiveness of the Partnership, while it has also given it a platform to disseminate on an international level the work of the Partnership and Leicester City.

Hal Tarxien and Szczecin pilot FQP negative aspects

No failures have been recorded yet.

Montana pilot FQP negative aspects

The main challenge faced in the FQP set-up was the difficulty in identifying the right stakeholders with regard to UFT at the beginning of the C-LIEGE project.

Emilia Romagna pilot FQP negative aspects

Setting too ambitious goals would have endangered a clear and tangible result: the final objective was to define a common rule, which would push freight operators to shift towards the use of less polluting and more energy saving vehicles' fleets, allowing standard minimum time windows. It is foreseen that CLM will be established by Emilia-Romagna Region to act as chair and driving force behind the FQP.

Stuttgart pilot FQP negative aspects

The greatest challenges in setting up the FQP were the complexity of urban goods traffic and the multitude of potential actors. Each potential measure has another set of actors that must be involved. Hence, it will remain a challenge to make appropriate selections and then engage and include these stakeholders in the FQP's work program.

Another difficulty encountered was that of getting the Stuttgart local administration involved in practice by a rather small player like KLOK within a project. The Chamber of Commerce, however, didn't face this issue. The parallel Round Tables were also difficult to follow, nevertheless, these complimented each other.

Other foreseen challenges are that, given the complexity of the logistics sector, a limitation of 10 companies for membership from this sector may prove less than satisfactory. On the other hand, a limit on the size of a partnership does make sense, especially for a reasonable start-up. Also, due to the small-scale size of the area, it is highly likely that there would be proposed measures that will have impacts on neighboring communities, which are also not represented at the partnership. KLOK, however, will work towards ensuring that communication of such proposals will not result in misunderstandings/conflicts with neighboring communities.

Finally, the experience in setting up the Stuttgart FQP has pointed out that the key factors that may influence success or failure are the necessity of a driver behind the FQP who, with the backing of some key actors, prepares topics that can be turned into measures. This will be in the medium to long term the City Logistics Manager. Another key factor will be that the FQP must not develop into one commercial consortium but must work on projects, which are open and of interest even to competing companies.

3. GENERAL CHALLENGES, FAILURES AND LESSONS LERANED FROM THE FQPS

Newcastle and Leicester, as the only long operating partnerships provided their views on the greatest challenges faced in the operation of their FQP, their successes and failures, as well as insight into lessons learned. The most common challenges faced are primarily related to attracting and obtaining the commitment of private sector companies and operators due to their workload/budgetary pressures, as well as securing funding for the FQP operation and maintenance. An additional challenge is also related to achieving the implementation of the proposed actions, as these are typically within the remit of local/regional administrations.

Finally, the diversity in the membership often imposes the challenge of facing the needs of different organizations, which must be harmonized for a successful outcome.

With regard to failures, both partnerships identified the unsuccessful attempts to recruit any new businesses to take part either in the partnership or attend meetings. In general, all partnerships have highlighted the difficulty in attracting and liaising with the private sector.

Respondents were also asked to provide their views on what factors can contribute to the success of an FQP. These are summarized below:

- Adequate budget to enable the delivery of tangible measures
- Attendees feel that the Partnership is moving forward pro-actively and providing value for participants
- The power of the group e.g. political and financial as well as power to do things
- Marketing
- Regularity of meetings

- Showing action
- Recognition from peers
- Number of members
- Technical analysis in terms of identifying needs

Finally, the most important lesson learned is the need for effective action and for delivering tangible measures, demonstrating, thus, that the Partnership is not just a 'talking shop'.

Obtaining and maintaining the commitment of its members is also crucial, while the governance of a group of public and private authorities must be based on interaction but also on effective leadership.

GENERAL REMARKS

The first activities of WP7 has shown that it is more relevant to develop a methodological process for transferability than to try to find a universal solution for transferability based on quantitative analysis. One of the biggest mistake that has been done in the past years is to do measure(s) “copy paste” without a proper analysis of the context in both origin and destination city. This has led to some failure experiences which apparently have been a success in the origin context. The transferability methodology intends to solve that problem and facilitate the transferability of the most suited measures for a certain context with a certain problem.

The typology of barriers identified can be, as already highlighted, as a checklist when considering the possibility of transferring any measure. In many cases, it is feasible to overcome a barrier. Two general (complementary) approaches exist for doing so:

- The transferred measure can be adapted in order to remove, or at least lessen the importance of, those aspects of the measure that are undermined by barriers;
- The measure can be combined with one or more other measures (in a policy package) which counteract the barrier concerned. For example a high-cost measure (involving a financial barrier) can be combined with a revenue-generating measure. Alternatively, a measure that has negative impacts on a section of the population (involving a political barrier) can be combined with a measure that is popular amongst that section of the population.

One of the principal barriers is a political barrier, as urban logistics is not integrated in the policy agenda of different levels of governments. In general, one factor that is a negative aspect for the implementation of policies is the lack of information and awareness. Many assertions and contestations are made on the basis of "I guess that...". For example, freight distribution measures should be combined with urban mobility measures and the lack of that combination is still a barrier that leads to failure cases.

Political and financial barriers are probably the most important barriers to remove in urban logistics measures, as the lack of political will puts in jeopardy the implementation of a measure or package of measures. Several experiences in urban logistics have been funded

by European funds and when the fund is over, most of the cities and/or private parties don't have the money to invest in those solutions.

The combination of a policy-mix, restrictive and incentive-based measures, requires less public financial commitment and achieves a greater acceptance by the stakeholders involved. A common barrier found is the adoption of only restrictive or incentive based measures instead of the combination of push and pull measures.

In any case, without political support, it will be difficult to secure finance. Without finance, operators and other stakeholders may see little purpose in giving up their time to become involved.

The next output O7.2 will draft a plan on how to overcome these barriers found in order to replicate failure cases.