

SMARTSET's analysis on regulations and incentives is trying to make clear what is necessary to support market driven business models and to steer increased use of micro terminals for last mile distribution and energy efficient freight transport in urban areas.

## Regulations and Incentives

Regulations and incentives go hand in hand and they should be used in combination to achieve the maximum effect. They can however be implemented in different **ways and combinations** depending by the objectives and aims.

The common approach and structure for regulations and incentives at all project sites is outlined in SMARTSET's document on regulations experiences, a report on success stories and limitations. It provides an **analysis of current conditions and lessons learned** in order to be able to implement successful regulations.

Although both the cities' and terminal schemes, as well as the implementation of regulations and incentives, differ in SMARTSET, they are **crucial for the development of sustainable business models**.

## Project sites approach

Each of the eight SMARTSET application sites is working with the common objective of making freight transport in their cities more sustainable, reducing pollutant emissions from the sector, as well as reducing traffic congestion and improving the livability of their city centres.

The **solutions** adopted for freight planning at the sites are **generally similar**, even if they are characterised by the dimensions of the site itself and by the specific national approach. Some application sites already deal with incentives and regulations, ranging from a **very detailed framework**, operating in some places, to other sites where **only a few regulations are active** and others are **under discussion**.



© CIVITAS SUCCESS – La Rochelle

## Implementing City Action Plans

The **process** of working towards an updated approach to different and/or new regulations and/or incentive schemes that encourage shops and actors in the city centre to make use of the micro terminal and urban distribution scheme, **is achieving first results, at all SMARTSET sites**.

Each of them is now developing **City Action Plans** including actions, targets, aims and objectives, timeframes, budgets and respective stakeholders, to be first reported in the project and to then be made publicly available.

### **SMARTSET project coordination and contact:**

City of Gothenburg, Urban Transport Administration

E-mail: [contact@smartset-project.eu](mailto:contact@smartset-project.eu)

Newcastle University is showing how minimal changes to procurement policy can change city logistics without any changes to regulations and incentives at the city government level.

## Sustainable Procurement Policy

The Newcastle site in SMARTSET begins with the premise that large institutions often have, within their supply chains, all the actors with existing responsibility and the mandate to execute change, without legal changes to regulations or incentives from the state. The strategic importance of the purchasing function in the business environment has been acknowledged – notably in the private sector – and recognised as contributing to economic advantages. Meanwhile, within the public sector's sustainable purchasing practices, factors such as environment, diversity, human rights, philanthropy and safety are key drivers. The Newcastle site has looked to deploy the sustainable procurement policy of Newcastle University to support sustainable inbound logistics.

## Newcastle Approach

Based on procurement and traffic analysis, we have identified that circa 450 packages a week would be potentially suitable for consolidation to the 80 buildings on the campus. Analysis showed that a 9 drop-zone, 144 location round trip in an electric vehicle would meet the needs of deliveries. Working with purchasing staff, suppliers, estates management and end users, suppliers have been contacted and asked to deliver to an external location – Clipper Logistics. This process involves careful discussion with the suppliers, consultation with key internal customers, and monitoring – to look out for problems.



© Clipper Logistics

*Clipper Logistics Centre, Wynyard*

## Implementing the Plan

Starting slowly with limited suppliers in September 2014 and ramping up in January 2015, we have seen a nine fold increase in parcels delivered via the consolidation approach, with an ongoing programme converting five suppliers per week, every week, throughout the pilot period.

Progress is good, operational issues are often surprising and teach us a lot, but this is all being achieved within existing University policy and local authority regulations.

### Contact:

Newcastle University  
Thomas ZUNDER  
[tom.zunder@ncl.ac.uk](mailto:tom.zunder@ncl.ac.uk)

