Chapter 15
Supply–Chain Competitiveness and Efficiency: A Survey on Italian Logistics

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ABSTRACT

Logistics is relevant both for its direct and indirect contribute to Italian GDP and for its impact on the country competitiveness. The weakness of Italian logistics, as reported in institutional and international documents, depends on: inadequate infrastructures; problems for connections; fragmentation of operators; inefficiency in single transportation services, lack in programming and regulation framework. This paper focuses on these subjects by presenting the results of a survey conducted on a sample of national and global forwarders. In the forwarders’ view, priority should be given to the rail Trans European Network completion, which is crucial to implement cross border services; other works considered relevant by the forwarders regard the rail connections between the Northern and the Southern part of the country and the local intermodal connections. Last mile in ports areas and intermodal services represent other problematic issues. Logistics centres received a sufficient evaluation but their territorial distribution is considered too fragmented. Forwarders express adequate considerations for tariffs, timing and operators’ efficiency and reliability, but not for the rail service. The supply-chain organization is not optimal due to lack of programming and to the fragmentation of operators. Endowment and use of ICT are adequate, but integration between different operators’ systems is scarce. Our survey reveals some policy suggestions. Firstly, operators ask the public legislator to address innovation in the regulation framework and to select few realizable targets (in order to be selective in investments and to implement adequate incentives). Secondly, operators themselves could possibly concentrate and rationalize their supply and, where necessary, implement the logistics outsourcing. Finally, national and local logistics associations should enhance an integration of different ICT systems and promote the respect of minimum standard services.

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1. THE ITALIAN LOGISTICS AND ITS IMPACT ON COMPETITIVENESS OF NATIONAL PRODUCTIVE SYSTEM

Logistics is an integrated process, combining transportation, storage, goods handling and informative data management (a complete definition of logistics is provided by the Council of Logistic Management; for Italy see also AiLog, 2009). This paper focuses on Italian goods traffic in the national and international segments, without analyzing other relevant issues, like the city logistics.

In Italy transportation of passengers and goods represents 7.5 per cent of total added value and almost 5 per cent of total occupation. According to some estimates (Confetra, 2008; Rodrigues et al., 2005), logistics, including both its direct and indirect components, absorbs 14 per cent of GDP. These estimates consider also the services offered by manufacturers, which official statistics include in the industrial added value.

The efficiency of logistics affects the competitiveness, because of its impact on the productive system’s costs. In the estimates of the Government and of Confidustria, despite the decrease of transportation costs during the last years, their incidence on total logistics costs exceeds the European average. This competitive gap depends on a different combination of productions and on a less efficient logistics in comparison with foreign competitors.

To assess the competitiveness of logistics, the World Bank publishes the Logistic Performance Index (LPI; see World Bank, 2007 and 2010) that considers sub indicators in different areas: Efficiency of the clearance process by customs and other border agencies; Quality of transport and information technology infrastructure for logistics; Ease and affordability of arranging international shipments; Competence of the local logistics industry; Ability to track and trace international shipments; Domestic logistics costs; Timeliness of shipments in reaching destination. Italian LPI is worse with respect to that of all the main European competitors (see table a1). Italian ranking for the sub-index regarding the domestic logistics costs is somewhat negative. Similar results are showed by the DHL Global Connectedness Index (DHL, 2014).

The aim of this paper consists in analyzing the main factor affecting the Italian logistics’ gap. Section two gathers the evidence from institutional documents, international statistics and literature. In section three we propose an original contribute, exploiting a survey on efficiency and competitiveness of Italian logistics addressed to a sample of national forwarders. Section four examines the operators’ proposals to diminish the actual gap. The concluding remarks focus on the need of integrated actions in order to ameliorate the effectiveness and efficiency of Italian logistics.

2. THE MAIN PROBLEMS AFFECTING ITALIAN LOGISTICS

In this section we highlight three main groups of factors causing the inefficiency of logistics: firstly, we focus on the inadequate connections between different transportation networks, determining congestions especially on the motorways and on the roads near the main urban agglomerates. Secondly, we consider the structure and the governance of logistics cycle and the quality of services. Finally we highlight the lacks for planning and scheduling and the need for a renovation of the regulation framework.