

Barometer of urban logistics in lockdown #5

April 24 – May 1st, 2020

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PARIS



Photo credit L. Dablanc

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- The **Logistics City** chair (<https://www.lvmt.fr/en/chaieres/logistics-city/>) of the University Gustave Eiffel has launched, with the support of the City of Paris, an initiative to increase knowledge and awareness of the situation of the urban logistics sector in times of lockdown
- A panel of companies and platforms operating in Paris and the Ile-de-France region was selected to be interviewed daily through a short and anonymous survey
- A second survey, conducted on a weekly basis, polls professional transport organisations
- Following the gradual lockdown phase-out announced in France for May 11th, a seventh question was added to both polls
- This note summarises the results of the fifth week of surveys (daily survey among companies and platforms April 24 – 30, 2020, weekly poll among organisations April 30, 2020)

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Survey synthesis and background information

A number of lessons can be drawn from these seven days of polling, from April 24 to May 1st, 2020

- Delivery activities in Paris and the Ile-de-France region are generally 50 to 30% less than at the beginning of March but are **on the rise**; B2C deliveries are "exploding" but there are **tensions with receivers** who are increasingly demanding about the terms of delivery
- Lockdown phase-out and the restart of activity multiply the needs in sanitary equipment, it is now a matter of finding solutions for their **distribution in the different sites**
- The first explanatory guides on work organisation and workplaces are appreciated
- The panel expects a sharp **deterioration in traffic in Ile-de-France** from May 11th
- A deterioration in the **quality of service** for deliveries is also anticipated, caught between the demands of reorganising activities related to health instructions and the resumption of car, motorcycle and bicycle traffic in Paris
- The pilot extending of working hours time windows will be implemented by one of the companies
- **Partnerships** that were put on hold during lockdown are being revived
- As far as administrative tasks are concerned, **teleworking** by the companies in the panel will not stop as of May 11th, and in the longer term will not return to its (very low) pre-crisis level
- **Investing in clean vehicles**: the question is posed in very concrete terms for the post-crisis period and it is expected that aid will be revalued (acquisition of electric commercial vehicles by companies)

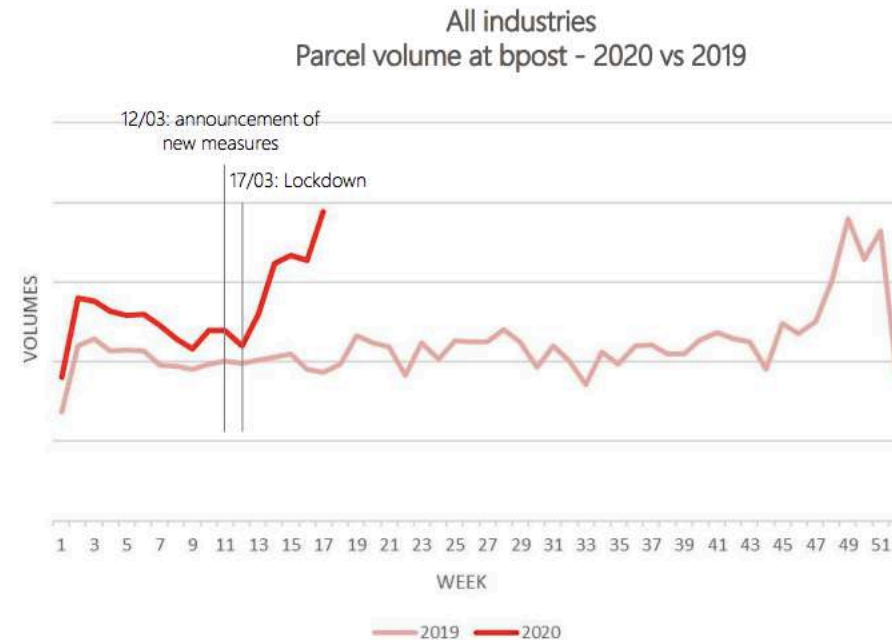
Elements of national and international context

- In Paris, **temporary bicycle paths** will be built along the busiest metro lines (50 km), while areas near stations, schools or large spots such as Les Halles will be pedestrianised (Le Parisien)
- It is an example of **tactical urban planning** (temporary, inexpensive, small-scale) as it is developing today in cities

- The **Paris open markets** have (at last?) introduced a coordinated home delivery service
- (Fox Intelligence, week 20-26 April, 2020) **Food e-commerce** in France is at +33% compared to beginning of March (slight increase compared to the previous week). In Ile-de-France, on the home delivery side (i.e. excluding click-and-collect), Amazon Prime Now remains leader. With a slight decrease compared to the previous week, **non-food e-commerce** remains at +10-20% of its level compared to the beginning of March, despite the closure of Amazon warehouses. The average delivery times are on the rise again. **Home delivery of meals** rose again compared to the previous week (+4 points) and reached 69% of the pre-confinement level. Deliveroo increased its market share compared to UberEats (from 23% vs. 55% to 27% vs. 53%)
- The decree n°2020-423 of April 27, 2020 reinforces the regulatory framework for **atmospheric protection plans** by stipulating that the deadline for implementing actions to reduce polluting emissions must be "as short as possible", as well as the periods for exceeding the standards
- On 24 April, the **Versailles Court of Appeal** rejected Amazon's appeal concerning the restriction of the activity to certain products, while widening their definition (computers, groceries, parapharmacy possible) but the French warehouses remain closed; the request for partial unemployment (10,000 people) was refused by the administration on April 30
- **Vatry airport** saw its air freight traffic increase by +321% (tonnages) on April 21 compared to the beginning of the year (Actu Transport Logistique)
- European **sales of commercial vehicles** (including heavy goods vehicles) in March 2020 fell by 47% (63% in France) of which 50% for light commercial vehicles (ACEA)
- Despite increases in the food sector, **freight volumes** in Europe as recorded by a freight exchange digital platform fell overall by more than two thirds between mid-March and the end of March (Timocom)
- In March, trucks bound for New York experienced a **68% increase in warehouse waiting times** compared to February, the largest increase among major U.S. cities (FourKites)

The impact of the pandemic on logistics in Belgium (14-24 April 2020, Gondola Academy, various sources)

- For 12% of online shoppers during the pandemic it was their first B2C experience
- Strong increase in the use of lockers and a marked **preference of both logistics providers and consumers for the use of lockers** (compared to attended collection points), with a view on lockdown phase-out
- 51% of Belgians who bought food online for the first time say they will continue to do so after the pandemic
- With the diversification of B2C during lockdown, Bpost has noticed a diversification of packaging, which is not always easy to manage
- Bpost announces **strong increases in its parcel deliveries** compared to the pre-lockdown situation (+60% all types of sectors combined)



Change in delivery volumes in the Ile-de-France region

- Although some companies are still facing a **sharp reduction** in their activities ("32% fewer deliveries than on a comparable day in 2019"), there has been a "**gradual recovery in activity**"
- B2C deliveries are "exploding", yet tensions with private receivers who are more and more demanding on the conditions of the delivery



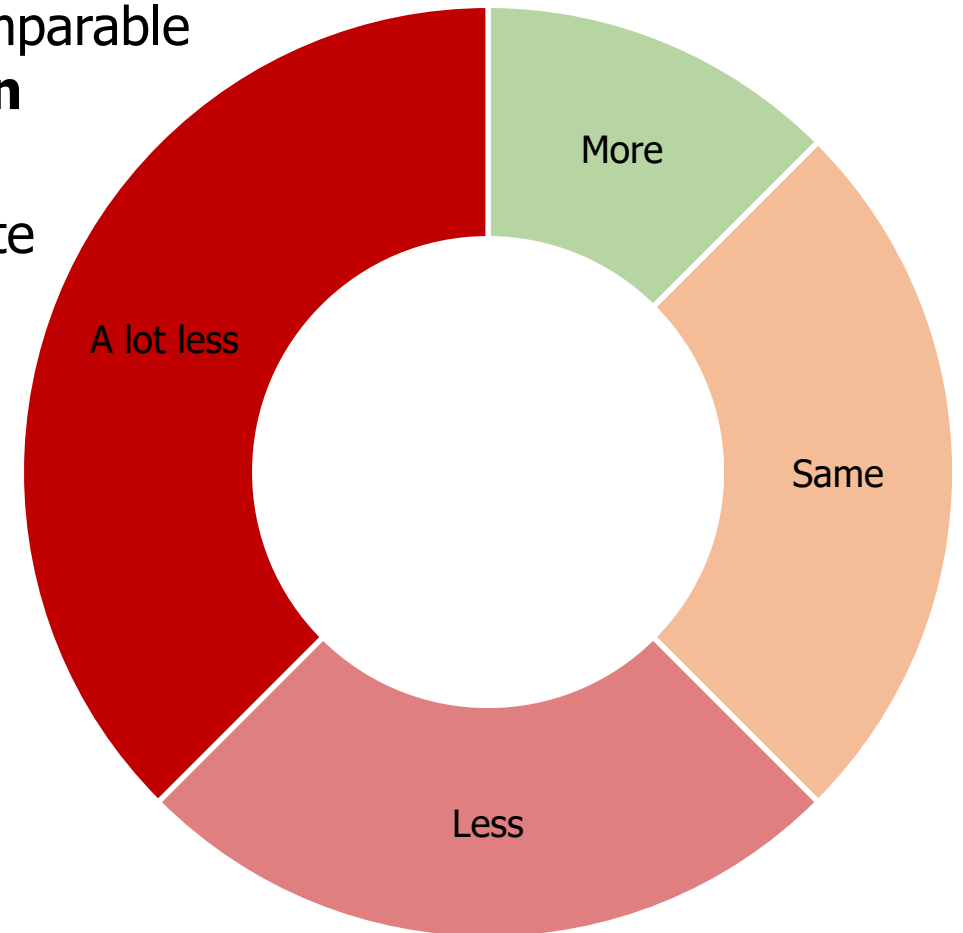
"Pushes of B2C parcel flows"

Food



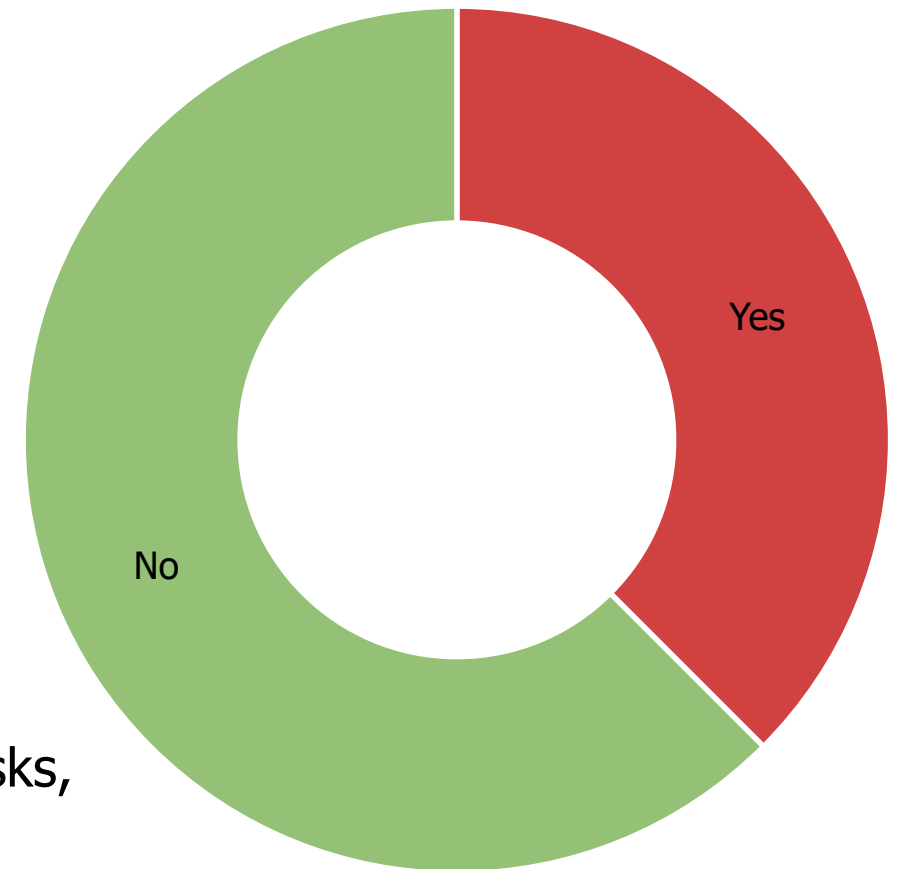
B2C sectors: medical, retail, cafeteria,
out-of-home catering

Closing of B2B customer receivers:
local shops, services and maintenance,
administration



Difficulties in obtaining/providing sanitary equipment

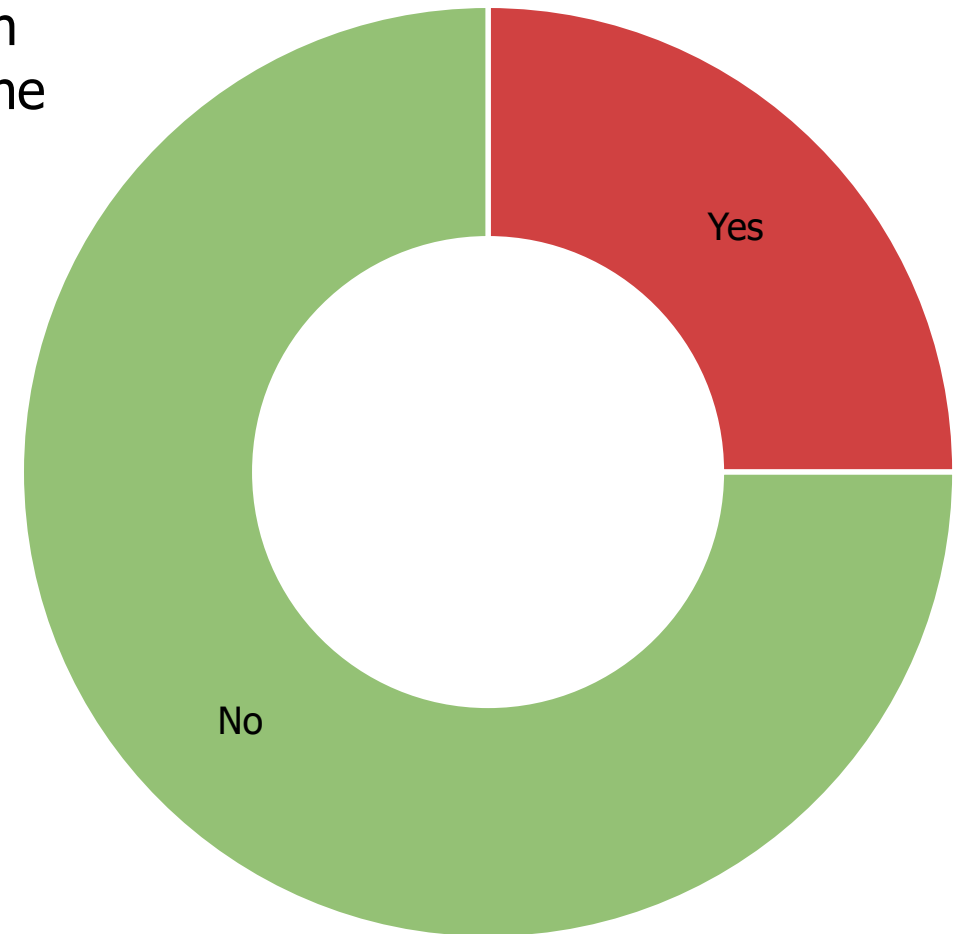
- Most companies are now **in control** of the shortage of sanitary equipment
- The challenges: finding the right solutions for sanitary items and organising distribution to the different sites
- The gradual resumption of activities will multiply the need for equipment and training in protection techniques



Regarding "yes": still masks,
some also gel volumes

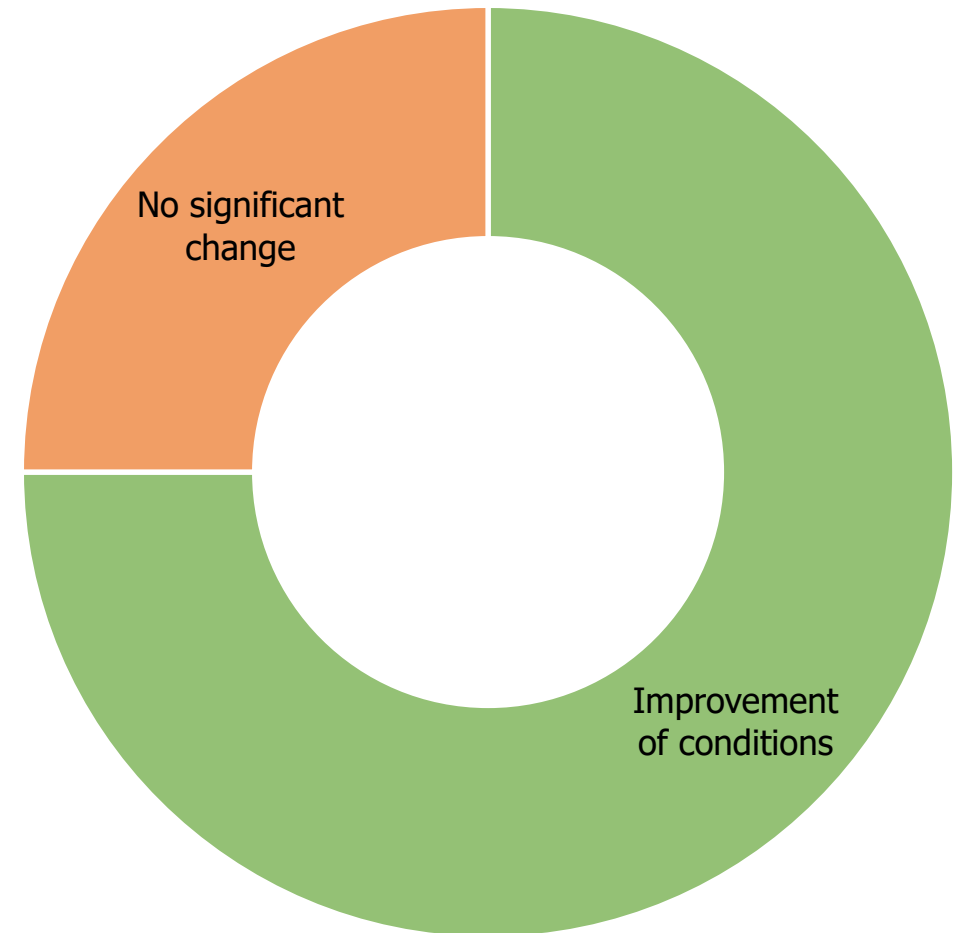
Difficulties in managing/recruiting enough staff

- Even if they are few in number, some companies are still experiencing recruitment problems: gig couriers on the one hand, employees and temporary workers on the other
- **Absenteeism problems** are still being reported



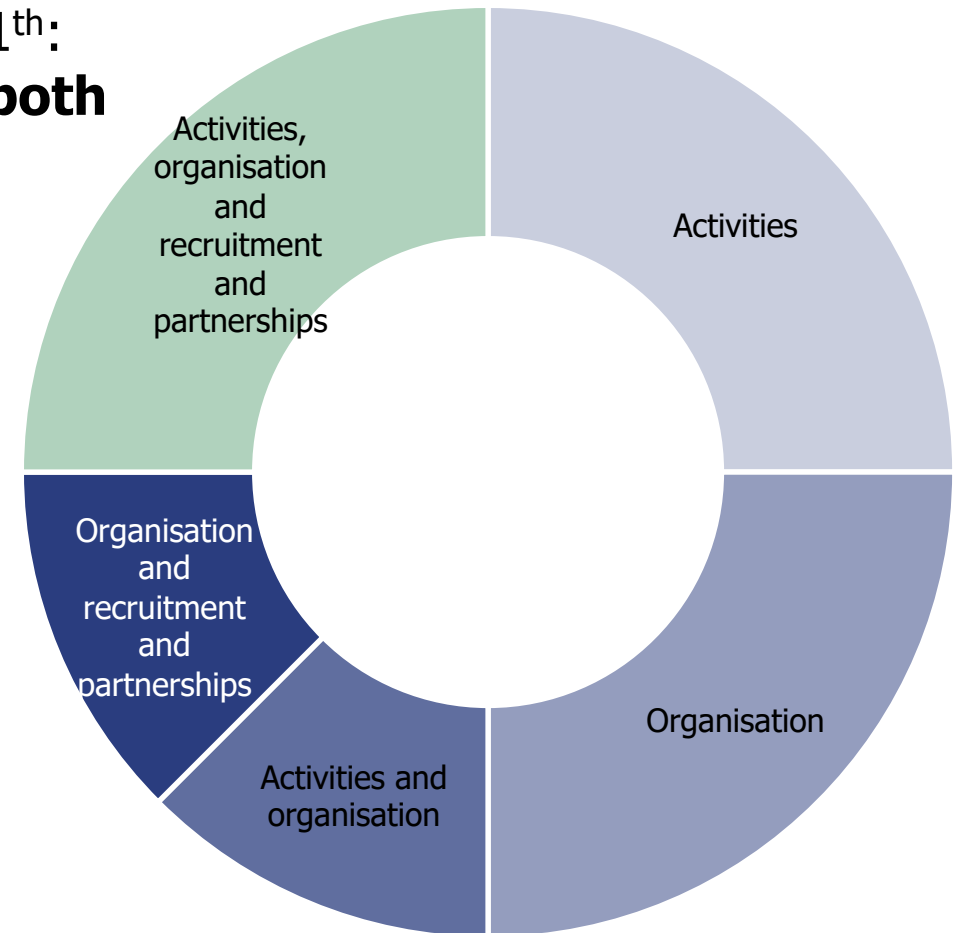
Difficulties with traffic, parking, access or traffic regulations

- Evolution over the seven days: slight increase in traffic, still free-flowing but less than before
- Anticipation of the risk of **strong traffic deterioration** after May 11th



Anticipation of post-May 11th (progressive lockdown phase-out)

- All companies are now expecting changes as of May 11th: the majority in terms of **activities, organisation or both**
- Anticipation of a deterioration in the quality of service between, on the one hand, the need to reorganise activities related to health instructions and, on the other hand, the resumption of car, motorcycle and bicycle traffic in Paris
- Partnerships that were put on hold during lockdown are being revived
- Telework will continue in part, and will not return to pre-crisis levels
- "Pilot opening of working hours time windows"



New activities or ways of working, new challenges

- A complex and highly changing regulatory framework, including HR, and the guides that are appearing are beginning to become useful
- Launch of **activity recovery plans**
- Investing in clean vehicles: the question is posed in very concrete terms for the post-crisis period
- **Solidarity initiatives** in the hospital environment continue, continued involvement with the "Collectif Solidaire" (delivery of meals made by chefs to caregivers)
- And always: to promote the importance and strategic nature of the sector in the eyes of the the public, public officials, the media

Feedback from the transport and logistics trade groups



- Still very large differences between their members: "decrease in volumes" but also an increase in volumes for certain companies and in particular sectors
- Changes are expected after May 11th among their members in the level of their **activities, their organisation and their recruitments and partnerships**: "implementation of protection actions", "protective equipment", "supplies in masks", etc.
- New and strong **sectoral changes** in what needs to be delivered are to be anticipated and closely observed

Find this barometer and consult the barometers of the previous four weeks on:

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